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The FATS and OILS SITUATION

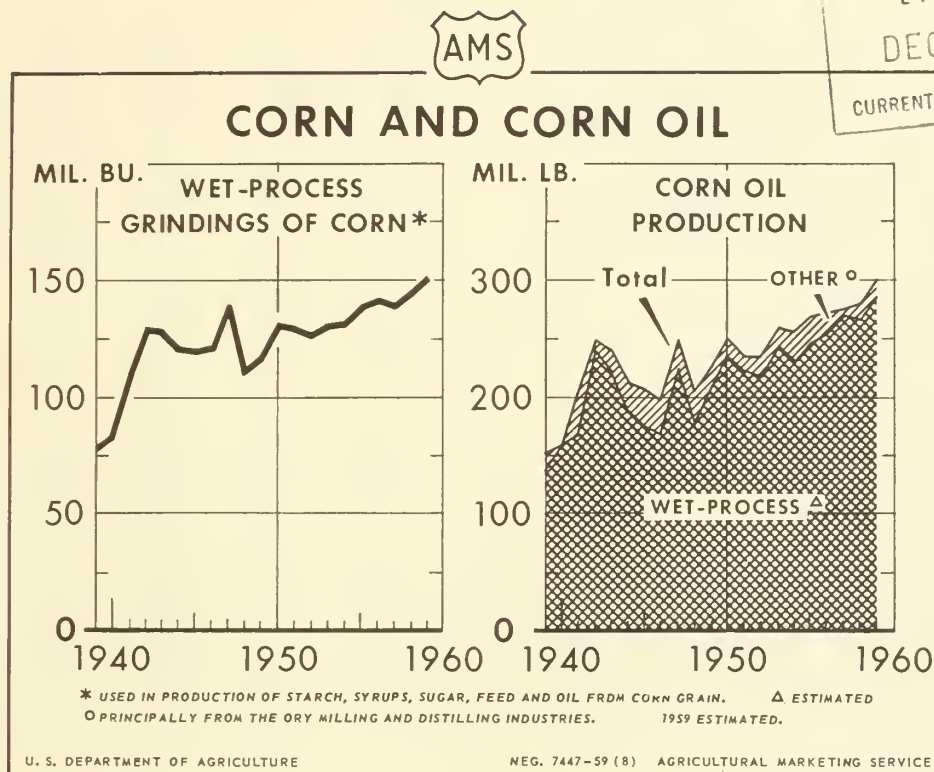
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In this issue:
Corn Oil Production and
Utilization in the U.S.
Selected Statistical Series
on Cottonseed and Peanuts

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CURRENT SERIAL RECORDS



The growth in wet-process grindings of corn for starch, syrups, and sugar has resulted in increased output of corn oil, a comparatively minor byproduct of the corn refining industry. The oil is extracted from the corn germ which is separated from the kernel during the milling process.

Wet-millers produce about 95 percent of the corn oil in the United States.

Corn oil output has about doubled in the last 20 years, rising from around 150 million pounds in 1939 to a record 300 million pounds estimated for 1959. Most corn oil is refined and consumed as a cooking and salad oil. (See page 31)

Table 1.--Wholesale prices per pound for fats and oils at selected markets

Item	August		1959		
	1957	1958	June	July	August
	Cents	Cents	Cents	Cents	Cents
Butter, creamery, Grade A, (92-score) bulk, New York	60.5	58.9	58.6	58.9	60.4
Butter, creamery, Grade B, (90-score) bulk, Chicago	58.9	57.1	56.9	56.9	58.6
Castor oil, dehydrated, tanks, New York	28.6	27.6	25.1	25.1	25.1
Castor oil, No. 1, tanks, f.o.b. New Jersey mills	23.5	21.0	20.0	20.0	20.0
Castor oil, No. 3, technical, drums, carlots, f.o.b. N. Y.	22.8	20.3	19.3	19.3	19.3
Coconut oil, crude, tank cars, Pacific Coast, f.o.b. mill 1/ ..	15.4	14.0	19.1	16.2	15.8
Coconut oil, crude, tanks, Atlantic ports 1/	16.1	15.0	21.3	18.8	17.7
Coconut oil, refined, drums, L. C. L., New York 1/	21.2	24.0	28.0	25.0	24.0
Cod oil, Newfoundland, drums, New York	11.4	9.3	8.9	8.8	8.8
Codliver oil, medicinal, U. S. P., barrels, New York	19.5	18.9	18.2	18.2	18.2
Corn oil, crude, tank cars, f.o.b. Midwest mills	13.0	12.7	12.8	12.0	11.4
Corn oil, refined, tanks, New York 2/	18.5	17.1	16.5	15.7	15.3
Cottonseed oil, crude, tank cars, f.o.b. S.E. mills	13.0	11.8	13.1	13.1	12.2
Cottonseed oil, crude, tank cars, f.o.b., Valley	12.8	11.6	13.0	12.9	12.0
Cottonseed oil, crude, tank cars, f.o.b., Texas	12.8	11.4	12.6	12.8	11.3
Cottonseed oil, p.s.y., bleachable, tank cars, New York 3/	15.0	13.5	14.0	13.6	13.2
Cottonseed-oil foots, raw (50 percent T.F.A.) delivered East ..	2.3	1.4	1.6	1.6	1.6
Cottonseed oil, refined, drums, New York	18.8	20.1	17.9	---	---
Degras, common, barrels, New York	10.0	10.0	10.0	10.0	10.0
Glycerin, soaplye, basis 80 percent, tanks, New York	15.9	16.5	19.5	18.7	18.5
Grease, A white, tank cars, f.o.b. Chicago	7.9	7.5	6.5	6.2	5.9
Grease, yellow, tank cars, f.o.b. Chicago	7.2	6.8	5.6	5.4	5.1
Lard, loose, tank cars, Chicago	12.3	12.8	7.9	7.6	6.9
Lard, prime steam, tierces, Chicago	12.8	13.4	9.2	8.4	8.1
Lard, refined, 1-pound cartons, Chicago	16.4	17.7	12.6	12.6	12.2
Linseed oil, raw, tank cars, Minneapolis	13.3	13.6	12.5	12.5	12.7
Linseed oil, raw, tanks, New York	14.7	15.1	14.0	14.0	14.2
Linseed oil, raw, drums, carlots, New York	16.9	17.1	16.0	16.0	16.2
Margarine, white, domestic vegetable, Chicago	27.0	26.0	23.4	24.0	24.0
Menhaden oil, crude, tanks, f.o.b. Baltimore	8.5	8.0	7.5	7.5	7.5
Menhaden oil, light pressed, tanks, New York	11.5	10.5	9.5	9.5	9.5
Neat's-foot oil, 30°, drums, carlots, New York	28.0	28.0	28.0	28.0	28.0
Oiticica oil, drums, f.o.b. New York	19.0	18.0	22.0	22.0	22.0
Oleo oil, extra, drums, Chicago	18.7	17.9	16.0	15.8	15.3
Oleostearine, barrels, New York	13.6	14.4	13.5	13.0	12.6
Olive oil, imported, edible, drums, New York	40.0	33.2	32.0	32.5	33.3
Palm oil, clarified, drums, f.o.b. New York 4/	15.0	14.0	13.4	12.7	11.9
Peanut oil, crude, tank cars, f.o.b. S.E. mills	13.8	16.5	13.5	13.1	11.2
Peanut oil, refined, drums, New York	19.4	22.5	22.0	22.0	---
Rapeseed oil, refined (denatured), tanks, New York	18.7	16.0	13.2	13.2	13.2
Safflower oil, nonbreak, tanks, f.o.b., West Coast	15.0	15.0	15.0	15.0	15.0
Safflower oil, nonbreak, tanks, East Coast	15.8	16.4	15.8	15.8	15.8
Sesame oil, refined, drums, New York	38.0	38.0	38.0	38.0	38.0
Shortening, Containing Animal Fat, 1-pound cartons, Chicago ..	30.5	30.1	26.0	26.0	26.1
Shortening, Cottonseed, hydrogenated, 10-drum lots, New York ..	22.2	20.5	19.5	19.3	18.5
Soybean oil, crude, tank cars, f.o.b., Decatur	11.4	10.0	9.5	9.2	9.4
Soybean oil, refined tanks, New York	14.0	12.7	11.8	11.4	11.6
Soybean oil, refined, drums, New York	17.5	15.5	14.5	14.5	---
Soybean oil, clarified, tanks, New York	13.6	12.2	11.3	11.0	11.1
Sperm oil, natural, 45°, drums, New York	17.2	15.6	13.5	13.5	13.5
Tall oil, crude, tanks, works	2.5	2.8	2.8	2.8	2.8
Tall oil, refined, tanks, works	5.5	5.5	5.5	5.5	5.5
Tallow, edible, loose, Chicago	12.3	11.7	8.1	7.8	7.0
Tallow, inedible, packers' prime, tank cars, f.o.b. Chicago ..	7.8	7.6	6.6	6.4	6.1
Tallow, inedible, bleachable fancy, f.o.b. Chicago	8.0	7.8	6.7	6.3	6.1
Tallow, No. 1, inedible, Chicago	7.2	6.9	5.7	5.3	5.1
Tallow, special, inedible, tanks, delivered, New York	7.9	7.9	6.7	6.2	5.9
Tung oil, imported, drums, carlots, f.o.b. New York	25.3	23.0	24.9	24.9	25.4
Tung oil, tanks, New York	23.8	21.4	23.4	23.4	24.0
Tung oil, domestic, tanks, f.o.b. mills	23.0	21.5	22.8	22.8	22.8

1/ Three-cent processing tax suspended during October 1957-June 1960.

2/ Prior to April 1958, reported as drums.

3/ Near-by futures.

4/ Tax excluded. Tax does not apply to palm oil used in the manufacture of iron or steel products, tin andterne plate. Since 1943 these are the major uses of palm oil.

Prices compiled from Oil, Paint, and Drug Reporter; The National Provisioner; The Journal of Commerce (New York); Wall Street Journal, Chicago edition; reports of Bureau of Labor Statistics, and reports of the Agricultural Marketing Service. Excise taxes and duties included where applicable.

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 T H E F A T S A N D O I L S S I T U A T I O N
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Approved by the Outlook and Situation Board, September 21, 1959

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SUMMARY

Record supplies of edible fats, oils, and oilseeds will be available in the 1959-60 marketing year that begins October 1. Early September conditions indicate the supplies of edible fats, oils and oilseeds in 1959-60 will exceed by about 10 percent the peak 13.0 billion pounds (oil equivalent) estimated for the year just ending. The prospective 27 percent rise in cottonseed oil output will contribute a large part of the increase, though lard production is expected to be up around 11 percent. Soybean supplies probably will be nearly as large as last year, as the increase in prospective carryover stocks almost offsets the decline in output. Carryover stocks of food fats (including the oil equivalent of soybean stocks) on October 1, 1959 are likely to be up about a third from last year.

The quantity of food fats available, including oil equivalent of soybeans, would permit substantially greater exports in 1959-60 than the record 3.3 billion pounds estimated for 1958-59. The 1959-60 outlook is for another banner year for U. S. exports of soybeans, edible oils and lard. Soybean exports are expected to climb to a new high somewhat above the record 110 million bushels in 1958-59. Exports of soybean and cottonseed oil are likely to at least equal 1958-59 -- now placed at a record 1.3 to 1.4 billion pounds, the exact level depending upon the volume of P. L. 480 oil that moved out in September. Major importing areas, such as Western Europe and Japan, will continue to need to import large quantities of edible oils and oilseeds as they probably will not be able to obtain increased supplies from sources other than the U. S. Lard exports (including shipments) in 1959-60 are expected to rise sharply above the 575 million pounds estimated for the year just ending as lower U. S. prices enhance our competitive position in the world markets.

It is not yet possible to forecast accurately 1959-60 exports of food fats because reasonably reliable estimates of foreign crops are not available, and will not be for several months. Even so, the present outlook for foreign import requirements of edible oils and oilseeds appears good from the point of view of the U. S.

Heavy outward movement of edible oils from the U. S. is likely to result from sales for dollars, plus another large shipment under P. L. 480, despite an expected large increase in olive oil output in the key program country of Spain. The olive crop in Turkey, another important taker of oil under P. L. 480, is likely to be down this year, consequently, there may be a larger program in that country. Also the tight copra and coconut oil situation may lead to an expansion of dollar exports as well as creation of new P. L. 480 programs. At this early date, the USDA sees P. L. 480 edible oil programs of about 700 million pounds during 1959-60. In addition, there will be a large carry-over of programmed but still unshipped oil on October 1, 1959.

Soybean supplies (production and beginning stocks) for 1959-60 are estimated at 588 million bushels while total domestic crush and other uses may run around 430-435 million bushels. Consequently, about 155 million bushels would be available for export and carryover stocks, about 10 million bushels less than the peak for these uses in the year before. Mainly because of lower prices and continued strong foreign demand for soybeans, exports are expected to rise above the 1958-59 record of about 110 million bushels and the carryover October 1, 1960 probably will be down substantially from this year's peak.

Farm prices of soybeans during the heavy harvesting season probably will average around the national support price of \$1.85 per bushel. Last fall, prices for the 1958 record crop averaged \$1.93 per bushel, 16 cents below support. If crusher and export demand turns out as strong as is now expected, soybean prices during 1959-60 should show a fairly good seasonal rise, as the trade will need to buy beans from CCC later in the marketing year in order to satisfy their requirements. CCC has announced that its holdings of beans will be offered for sale during October-December 1959 at a minimum of 20 cents per bushel above the 1959 county price-support rates. As related to the national average support price, the minimum sales price would be \$2.05.

Soybean oil prices during the heavy October-December 1959 marketing period probably will average somewhat lower than a year earlier in spite of record demand for food fats, reflecting the sharply increased output of competitive cottonseed oil and lard. Soybean meal prices this fall are expected to average near last fall's level.

Based upon September 1 indications for cotton, the 1959 cottonseed crop may total 6,090,000 tons, 27 percent more than in 1958 and the largest since 1953. Prices to farmers are expected to average above the 1959 CCC purchase price of \$34 per ton, basis grade (100) but less than last season's average of \$43.80. The additional output of cottonseed oil will largely be absorbed by the strong foreign demand for cotton oil. This is anticipated as resulting in the continuation of a price differential between cotton oil and soybean oil in spite of the fact that the cotton crop is larger and the soybean crop smaller than last year. Export demand for cotton oil may be sufficiently stronger than last year that little additional quantities will be available for domestic use.

Lard output in the marketing year beginning October 1, 1959 is forecast at around 2,975 million pounds, about 300 million more than that estimated for the year just ending. The outlook is for a depressed lard market this fall as average prices probably will drop to the lowest level since the fall and winter of 1952, reflecting the impact of the 12 percent increase in the spring pig crop. Domestic use and exports of lard are expected to rise well above the 1958-59 level, but not enough to prevent a buildup in carryover stocks on October 1, 1960.

The 1959-60 flaxseed outlook has changed within two months from a surplus position to relative tightness. As a result, flaxseed prices (No. 1 spot, Minneapolis) moved up from \$2.95 per bushel on July 1, the beginning of the new marketing year, to \$3.45 in mid-September. Production of 1959 crop flaxseed is estimated at nearly 24 million bushels, more than a third below last year and the smallest crop since 1946. The reduction reflects the decline in acreage along with low yields.

Although the flaxseed carryover on July 1 was up, the smaller crop reduces the total supply well below last year. Furthermore, export demand so far this marketing year has been strong and CCC and commercial stocks have dwindled. With Canada's crop also poor and uncertainty over the size of the Argentine crop because excessive rains have delayed plantings, coupled with strong world demand, U. S. prices to farmers will average well above the 1959 support price of \$2.38 per bushel and the \$2.69 received last year.

REVIEW AND OUTLOOK

Soybean Crushings and Exports Continue Uptrend in 1958-59

Soybean crushings in October-August 1958-59 (August estimated) were around 374 million bushels, about 14 percent more than a year earlier. With the 1958-59 crushing season about completed in September, it appeared likely that the total crush will be between 400 and 405 million bushels. This would be around 50 million above the peak last season.

Record crushings during the 1958-59 season were stimulated by (1) a sharp increase in total domestic use of food fats, mainly soybean oil, (2) record exports of soybean oil bolstered by P.L. 480 shipments, (3) CCC removal of 174 million pounds of cottonseed oil (crude plus refined) from the domestic market and subsequent export sales for dollars, and (4) a growing domestic demand for protein meal and record exports of soybean meal.

Exports of soybeans from October 1, 1958 through mid-September 1959 totaled about 106 million bushels (based partly on inspections), about 23 million more than last year. With the 1958-59 marketing year about over, it appears that the total soybean exports will be about 110 million bushels, compared with last year's peak of nearly 86 million. Record quantities were shipped to Western Europe, reflecting short copra supplies and reduced oil stocks, and to Japan, resulting from that country's break in trade relations with Communist China as well as increased consumption of beans.

If crushing and export estimates prove substantially correct, the carry-over of 1958 crop soybeans on October 1, 1959 probably will be in the neighborhood of 50 million bushels, compared with 21 million a year earlier. An additional 4 million bushels of 1957 crop beans are still in CCC hands. This modest carryover would represent only about 9 percent of the record 1958 crop, and about 1½ month's grind at current rates. About 35 million bushels of the estimated carryover would be 1958 crop beans in CCC hands, 10 million bushels resealed in farm storage, and the remaining 5 million held by the trade. (The actual October 1 carryover will be reported October 23.) The CCC takeover of 1958 crop beans totaled about 68 million bushels, but 33 million bushels were sold.

P. L. 480 Program Boosts Bean Oil Export to New Record

Exports of soybean oil in October-July 1958-59 totaled about 692 million pounds compared with 610 million pounds a year ago. However, large P. L. 480 shipments of bean oil in recent months likely brought the 1958-59 season total to around 950 million pounds, about 150 million more than in 1957-58.

Cottonseed oil exports in October-July 1958-59 totaled about 336 million pounds compared with 243 million a year earlier. The total for the entire marketing year may be about 400 million compared with 250 million in 1957-58. The increase reflects CCC sales for export, mainly to Western Germany, of 174 million pounds of cotton oil (crude and refined) acquired under the 1958 support program.

Combined exports of soybean and cottonseed oils for the 1958-59 season just ending are expected to total a record 1.3 to 1.4 billion pounds compared with 1,050 million last year, the exact level depending upon the volume of P.L. 480 oil that moved in September. Approximately two-thirds of these oils moved out under the P. L. 480 program.

Edible oil P. L. 480 program agreements that were signed with 14 countries and were effective in the 1958-59 marketing year total almost 1,350 million pounds. According to FAS data, exports of program oil from October 1, 1958 through September 18, 1959 totaled 850 million pounds. This would leave about 485 million pounds still remaining to be shipped. About 285 million of the 485 million have a terminal shipping date of September 30, 1959. The rest can be shipped after October 1.

Outlook is for Big P. L. 480 Edible Oil Program in 1959-60

It is now too early to forecast exports of food fats in 1959-60 accurately because reasonably reliable estimates of foreign crops will not be available for several months. However, the outlook for foreign import requirements of edible oils and oilseeds appears good from the U. S. point of view. It does not appear likely that increased supplies of edible oils and oilseeds will be available to importing countries from sources other than the U. S. in 1959-60.

Table 2.--Food fats and oils: Supply and disposition, 1952-59 1/

Item	Year beginning October							Forecast*	
	1952	1953	1954	1955	1956	1957	1958	1959	
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	
<u>Stocks, October 1</u>									
Soybeans--oil equivalent 2/	36	109	14	108	41	109	231	550	
Butter	111	323	489	295	90	145	146	90	
Lard	143	42	50	75	123	69	48	100	
Cottonseed oil	393	1,016	896	361	254	146	154	3/155	
Soybean oil	194	174	127	179	227	286	281	3/280	
Others 4/	39	33	45	51	66	49	61	3/80	
Total	880	1,589	1,608	962	760	694	3/690	3/705	
<u>Imports</u>	45	61	91	57	49	68	65	70	
<u>Production</u>									
Butter	1,578	1,648	1,536	1,571	1,542	1,524	1,450	1,425	
Lard	2,509	2,248	2,564	2,851	2,624	2,434	2,675	2,975	
Cottonseed oil 5/	1,840	2,106	1,723	1,893	1,629	1,418	1,600	1,900	
Soybean oil	2,536	2,350	2,711	3,143	3,431	3,800	4,250	4,250	
Other 4/ 5/	539	669	572	667	709	662	765	775	
Total fats and oils	9,001	9,021	9,105	10,125	9,935	9,838	10,740	11,325	
Soybean exports-oil equiv.	320	436	666	741	937	939	1,200	1,350	
Total	9,321	9,457	9,771	10,866	10,872	10,777	11,940	12,675	
<u>Total supply</u>	10,246	11,107	11,470	11,885	11,681	11,538	12,695	13,450	
<u>Exports 6/</u>									
Butter	14	45	190	240	18	36	15		
Lard	515	456	587	719	590	459	575		
Cottonseed oil 5/	55	402	716	617	427	250	400		
Soybean oil	93	71	50	556	807	804	950		
Others 4/ 5/	39	119	33	50	62	19	50		
Adjustment 7/	74	117	124	52	61	85	100		
Total fats and oils	790	1,209	1,699	2,234	1,965	1,653	2,090		
Soybeans--oil equivalent	320	436	666	741	937	939	1,200		
Total exports	1,110	1,645	2,365	2,975	2,903	2,592	3,290		
<u>Domestic use</u>									
Butter	1,352	1,438	1,540	1,536	1,470	1,488	1,490		
Lard 8/	2,111	1,773	1,959	2,066	2,049	2,007	2,050		
Cottonseed oil	1,162	1,824	1,543	1,384	1,310	1,193	1,200		
Soybean oil	2,462	2,326	2,609	2,539	2,565	3,051	3,300		
Others 4/	550	598	622	659	713	703	760		
Adjustment 7/	-74	-117	-124	-52	-61	-85	-100		
Total 8/	7,563	7,843	8,149	8,132	8,046	8,357	8,700		
<u>Total use for food 9/</u>	7,219	7,541	7,836	7,861	7,898	8,161	8,450		
<u>Per capita, civilian and military</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>		
Butter (fat content)	6.8	7.2	7.5	7.4	6.9	6.9	6.8		
Other	36.9	37.7	38.3	37.8	37.7	38.5	39.5		
Total (fat content)	43.7	44.9	45.8	45.2	44.6	45.4	46.3		

1/ Totals computed from unrounded numbers. 2/ Not included in total stocks. 3/ Adjusted to new Census basis which includes hydrogenated oils and stearin. 4/ Includes beef fats, peanut, corn, olive and sesame oils. 5/ Includes oil equivalent of oilseeds exported for crushing. 6/ Includes shipments. Butter, cottonseed oil and adjustments include quantities from CCC stocks that are not reported in Census data.

7/ Includes exports of processed food oils not classified by kind, shortening and other secondary fats.

8/ Adjusted for estimated changes in stocks on farm. 9/ Excludes food fats used for nonfood purposes but includes nonfood oils (mostly coconut babassu and palm-kernel) used in food.

*Except for stocks on October 1, 1958.

Table 3.--Forecast of 1959-60 fats and oils production from domestic materials and oil equivalent of exported domestic oilseeds, year beginning October with comparisons

Item	Average: 1947-51	1953	1954	1955	1956	1957 1/	1958 2/	Forecast 1959
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
<u>Edible Animal Fats</u>								
Butter (actual weight)	1,542	1,647	1,536	1,571	1,542	1,524	1,450	1,425
Lard and rendered pork fat	2,625	2,243	2,564	2,851	2,624	2,434	2,675	2,975
Edible beef fats 3/	162	264	280	312	321	324	350	360
Total	4,329	4,159	4,380	4,734	4,487	4,282	4,475	4,760
<u>Edible Vegetable Oils</u>								
Corn oil	227	252	268	270	275	276	290	300
Cottonseed oil	1,568	2,106	1,723	1,893	1,629	1,418	1,600	1,900
Edible olive oil	4	2	3	1	6	1	8	5
Peanut oil	157	82	20	81	84	59	100	115
Peanuts (shelled), oil equivalent of exports for crushing abroad	77	69	--	4	23	2	5	5
Soybean oil	2,035	2,350	2,711	3,142	3,431	3,800	4,250	4,250
Soybeans, oil equivalent of exports	164	436	666	741	937	939	1,200	1,350
Total	4,232	5,297	5,391	6,132	6,385	6,495	7,453	7,925
<u>Soap Fats and Oils</u>								
Inedible tallow and greases	2,184	2,661	2,875	3,215	3,115	2,749	3,100	3,300
Fish, whale and seal oils 4/	138	161	180	204	160	180	190	185
Total	2,322	2,822	3,055	3,419	3,275	2,929	3,290	3,485
<u>Drying Oils</u>								
Linseed oil 5/	706	631	588	625	636	454	460	440
Flaxseed, oil equivalent of exports	36	122	133	196	186	70	150	0
Tung oil	17	40	15	2	32	25	45	40
Castor oil	--	8	4	1	3	9	18	15
Tall oil	277	332	524	672	623	608	750	775
Total	1,036	1,133	1,264	1,496	1,480	1,166	1,423	1,270
<u>Other fats and oils 6/</u>	17	26	42	33	43	64	75	85
Total	11,936	13,437	14,132	15,814	15,670	14,936	16,716	17,525

1/ Preliminary.

2/ Partly estimated.

3/ Edible tallow, oleo stock, oleo oil, and oleostearine. Reported production of edible tallow through 1948, 1949-51 minus other pressing, 1955-1958 minus other processing.

4/ Excludes cod oil and fish liver oils.

5/ Excludes oil equivalent of imported flaxseed.

6/ Cod and fish liver oils, and vegetable oils not reported separately by kind.
Total computed from unrounded numbers.

A heavy outward movement of edible oils from the U. S. is likely to result from sales for dollars plus large shipments under P. L. 480, despite an expected large increase in olive oil output in the key program country of Spain. The olive crop in Turkey, another important taker of oil under P.L.480 is likely to be down this year and we may have a larger program in that country. Also, the tight copra and coconut oil situation may lead to an expansion of dollar exports as well as creation of new P. L. 480 programs. At this early date, the USDA sees P.L. 480 edible oil programs of about 700 million pounds during 1959-60. In addition, as indicated above, there will be a large carryover of programmed but still unshipped oil on October 1, 1959.

Another factor that will encourage U. S. exports is the reduced support level for 1959 crop soybeans and cottonseed -- 24 cents per bushel and \$7 per ton, respectively, lower than last year. Reduced supports on soybeans and cottonseed along with increased supplies of edible fats and oils should enhance our competitive position in world markets.

Western Europe will probably continue to make heavy dollar purchases of U. S. soybeans, edible oils and lard in order to meet consumption requirements, and in Japan we shall probably maintain our excellent dollar market for soybeans.

1959-60 Soybean Supplies Nearly as
Large as Last Year; Demand for
Beans to Continue to Increase

The 1959 crop was estimated as of September 1 at 533 million bushels, 41 million less than last year but the second largest of record. The decline reflects an 8 percent drop in acreage for harvest for beans; the indicated yield of 24.2 bushels per acre is equal to last year's peak.

The crop made rapid progress during August. Temperatures were generally above average which tended to hasten maturity. Rainfall was rather variable. Most areas received enough moisture to promote good growth although a few areas were dry and in others local floods caused some damage. Soybeans are farther advanced than usual in most producing States and a considerable acreage was nearing maturity by September 1. A few early fields were harvested in late August. With favorable weather harvest should progress rapidly during the last half of September.

Including the carryover expected on October 1, the 1959-60 total supply of soybeans is currently estimated at 588 million bushels--only about 7 million less than last year's peak (table 4).

Crushings in 1959-60 of around 400 million bushels--about the same as the year before--when combined with other oils and oil meals may prove enough to provide sufficient quantities of oil and meal to meet domestic and export demand. If farm uses of beans run about 33 million bushels, about 155 million bushels would be available for export and carryover stocks, slightly less than the peak for these combined uses in the year before. With prices substantially lower and strong foreign demand for soybeans, exports are expected to rise above the 110 million bushels in the past year; carryover stocks on October 1 1960, probably will be down substantially from this year's peak.

Table 4.--Soybeans: Supply and disposition, crop years, 1952-59

Item	Year beginning October							
	1952	1953	1954	1955	1956	1957	1958	1959
	<u>1/</u>	<u>2/</u>	<u>3/</u>	<u>4/</u>	<u>5/</u>	<u>6/</u>	<u>7/</u>	<u>8/</u>
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
<u>Supply</u>								
Stocks, Oct. 1	3.6	10.1	1.3	9.9	3.7	9.9	21.1	55
Production	298.8	269.2	341.1	373.5	449.4	483.7	574.4	533
Total supply	302.4	279.3	342.4	383.4	453.2	493.6	595.5	588
<u>Disposition</u>								
Crushed	234.4	213.2	249.0	283.1	315.9	353.8	400-405	
Exports	31.9	39.7	60.6	67.5	85.4	85.5	110	
Seed and feed	20.7	22.9	23.4	26.1	26.2	29.4	27.1	
Residual <u>3/</u>	5.3	2.2	-.6	3.0	15.8	3.9	3.4	
	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>
<u>Price per bushel</u>								
Support	2.56	2.56	2.22	2.04	2.15	2.09	2.09	1.85
Received by farmers	2.72	2.72	2.46	2.22	2.18	2.07	2.00	
<u>Price and value of products</u>								
Meal, per ton <u>4/</u>	67.55	78.63	60.70	52.55	47.45	53.40	56.20	
	<u>Ct.</u>	<u>Ct.</u>	<u>Ct.</u>	<u>Ct.</u>	<u>Ct.</u>	<u>Ct.</u>	<u>Ct.</u>	<u>Ct.</u>
Oil, per pound <u>5/</u>	12.1	13.5	11.9	12.5	12.7	10.8	9.6	
	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	
Combined value <u>6/</u>	2.91	3.34	2.69	2.61	2.51	2.41	2.35	

1/ Partly estimated.

2/ Forecast. Production indicated September 1.

3/ Includes fed to livestock on farms other than where produced, direct use for food and statistical discrepancies.

4/ Bulk, Decatur.

5/ Crude, tank cars, f.o.b., Midwest mills.

6/ Combined (weighted) value of products per bushel crushed. Not directly comparable with U. S. average soybean prices.

Soybean Farm Prices During 1959
Harvesting Season Expected to
Average Near Support; Oil
Prices Expected to Weaken

The prospective 1959 soybean crop will bring supplies closer in balance with probable market outlets than last year, but it will be large enough to drive soybean farm prices, during the heavy harvesting months, to about the national average support price of \$1.85 per bushel--24 cents below the 1958 support level.

If crusher and export demand turns out as strong as is now expected, soybean prices during 1959-60 should show a fairly good seasonal rise, as the trade will need to buy old-crop beans from CCC later in the marketing year in order to satisfy their requirements.

The strong demand for food fats and oils during the current marketing year is expected to continue into 1959-60. But in spite of record demand for food fats, bean oil prices during the heavy October-December 1959 marketing period probably will average somewhat lower than a year earlier, reflecting the lowered supports on soybeans and the sharply increased output of competitive cottonseed oil and lard. Soybean meal prices this fall are expected to average near last fall's level.

CCC announced on September 16, 1959 that its holdings of 1958 and 1957 crop soybeans will be offered for sale during October-December 1959 at a minimum of 20 cents per bushel above the 1959 county price-support rates. This compares with 11 cents over the support in October-November 1958 and 5 cents over in December. As related to the 1959 national average support price, the minimum sales price would be \$2.05. The pricing basis for CCC soybeans after December 31, 1959 will be announced well in advance of that date. It was also announced that CCC soybeans will be eligible for exchange under the barter program beginning October 1.

Cottonseed Prices
Below Last Year

Based upon September 1 indications for cotton, the 1959 cottonseed crop may total 6,090,000 tons, 27 percent more than last year's crop. Cotton acreage for harvest is up sharply this year, mainly because much of the 5 million acres placed in the Acreage Reserve in 1958 are back in production. Indicated yield per acre is record high.

Prices to farmers for 1959 crop cottonseed will be supported by loans on farm-stored cottonseed at an average of \$38 per ton, basis grade (100). The program provides for purchases from producers at an average price of \$34 per ton, basis grade (100). These prices are \$7 per ton less than in the previous year and the lowest support level of record. In the 1958-59 season CCC took over about 530,000 tons or 11.5 percent of the 1958 crop when farm prices of cottonseed in the Southwest dropped below support.

Farm prices are expected to average above the 1959 CCC purchase price of \$34 per ton, basis grade (100) but less than last season's average of \$43.80. Farmers received \$42.80 per ton for their cottonseed in August, about \$5 below last year.

Cottonseed Crushings and Oil Output to Rise
Sharply in 1959-60; Oil Prices to Average Lower

Total supplies of cottonseed in 1959-60 (carryover stocks on August 1, 1959 plus production) are estimated at 6,190,000 tons compared with 4,973,000 last season (table 5). Assuming about 92 percent of the crop will move to oil mills for crushing, the total crush for the 1959-60 season probably will be around 5,600,000 tons, about 26 percent more than in 1958-59. A crush of this size would produce around 1,900 million pounds of crude cotton oil compared with 1,518 million in 1958-59.

Cottonseed oil prices (crude, Southeast mills) in August-March 1958-59 drifted downward from 11.8 cents per pound to 10.9 cents, averaging 11.2 cents for the period, 2.6 cents below a year earlier. From March 1959 to July, prices have strengthened, and in June and July were 13.1 cents, 0.5 to 1.0 cents above the same two months in 1958. The increase reflected the reduced supplies of 1958 crop cotton oil along with good domestic and export demand. Prices started to slip in late July in response to favorable crop prospects and early movement of new crop oil, and in mid-September were down to 10.3 cents, about 2.0 cents below August 1958.

Cotton oil prices this fall probably will decline because output of cotton oil will be up and supplies of competitive food fats will be larger than they have been in the last few years. However, export demand for cotton oil may be sufficiently stronger than last year that little additional quantities will be available for domestic use.

Lard Prices Continue Sharply Below Last
Year As Output Continues to Expand

Lard prices (tanks, loose, Chicago) trended downward quite steadily during the current marketing year. They fell from 11.6 cents per pound in October 1958 to 6.9 cents in August 1959, a drop of nearly 5 cents per pound or about 40 percent. Prices by mid-September moved up to 7.6 cents per pound but still were 4.1 cents below September 1958. Lower lard prices during 1958-59 reflect the 10 percent increase in output that was in excess of total demand, and lard stocks currently are more than double those of a year ago.

Lard output in the 1959-60 marketing year beginning October 1 is forecast at around 2,975 million pounds, about 300 million more than that estimated for the year just ending. The outlook is for a depressed lard market this fall as prices probably will average at the lowest level since the fall and winter of 1952, reflecting the impact of the 12 percent increase in the spring crop. Domestic use and exports of lard are expected to rise well above the 1958-59 level but the increase will not be enough to prevent a buildup in carryover stocks on October 1, 1960.

Table 5.--Cottonseed: Price to farmers, acreage, yield, supply and distribution, United States, 1947-1959

Year begin- ning August	Price per ton		Acreage harvested		Supply			Distribution			
	Season average received by farmers	Sup- port 1/	Total	Yield per acre	Produc- tion	Stocks at mills, August 1	Total supply	Exports	Crushed	Seed	Resid- ual 2/
	Dol.	Dol.	1,000 acres	Lb.	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
1947	85.90	---	21,330	439	4,682	100	4,782	5	4,082	315	291
1948	67.20	---	22,911	519	5,945	89	6,034	6	5,332	384	180
1949	43.40	46.50	27,439	482	6,559	132	6,691	11	5,712	279	401
1950	86.60	47.00	17,843	460	4,105	288	4,394	6	3,723	419	180
1951	69.30	61.50	26,949	467	6,286	66	6,352	11	5,476	415	313
1952	69.60	62.40	25,921	478	6,190	137	6,327	13	5,563	406	190
1953	52.70	50.50	24,341	554	6,748	155	6,903	15	6,256	346	57
1954	60.30	50.00	19,251	593	5,709	229	5,938	21	5,249	263	196
1955	44.60	42.00	16,928	714	6,043	209	6,252	16	5,588	266	205
1956	53.40	44.00	15,615	693	5,407	177	5,584	11	4,959	222	228
1957 3/	51.10	42.00	13,558	680	4,609	164	4,773	6	4,247	188	157
1958 5/	43.80	41.00	11,849	810	4,798	175	4,973	4	4,439	4/	430
1959		34.00	14,991	812	6/6,090	100	6,190	15	5,600	4/	450
1960						125					

1/ Purchase price, basis grade except 1949 which is average grade.

2/ Includes feed, fertilizer, and loss.

3/ Preliminary.

4/ Not available, included in residual.

5/ Preliminary. Distribution and stocks August 1, 1960 are forecast.

6/ Indicated September 1 if the ratio of lint to cottonseed is the same as the average for the past five years.

Table 6.--Cottonseed: Crushings and yields of oil and meal per ton crushed, and price, by months, crop years 1950-58

Year begin- ning August	Crushings												Year
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	
	: :1,000 :tons	: :1,000 :tons	: :1,000 :tons	: :1,000 :tons	: :1,000 :tons	: :1,000 :tons	: :1,000 :tons	: :1,000 :tons	: :1,000 :tons	: :1,000 :tons	: :1,000 :tons	: :1,000 :tons	
1950	: 232	: 408	: 625	: 568	: 437	: 453	: 323	: 229	: 164	: 117	: 96	: 72	3,723
1951	: 199	: 543	: 838	: 776	: 653	: 695	: 545	: 433	: 306	: 218	: 153	: 118	5,476
1952	: 148	: 523	: 788	: 725	: 670	: 663	: 554	: 484	: 377	: 266	: 208	: 155	5,563
1953	: 182	: 511	: 781	: 768	: 726	: 721	: 633	: 607	: 480	: 361	: 275	: 211	6,256
1954	: 251	: 532	: 684	: 659	: 609	: 598	: 514	: 438	: 318	: 285	: 197	: 165	5,249
1955	: 212	: 494	: 708	: 781	: 672	: 692	: 618	: 497	: 387	: 258	: 151	: 119	5,588
1956	: 182	: 526	: 723	: 678	: 572	: 613	: 492	: 400	: 280	: 226	: 148	: 120	4,959
1957	: 142	: 348	: 648	: 613	: 544	: 523	: 409	: 327	: 255	: 180	: 127	: 132	4,247
1958	: 148	: 307	: 711	: 590	: 547	: 547	: 440	: 433	: 324	: 179	: 117	: 97	4,439
Yield of oil per ton crushed													
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	
1950	: 319	: 301	: 315	: 324	: 321	: 323	: 325	: 340	: 336	: 324	: 356	: 335	321
1951	: 301	: 307	: 310	: 314	: 316	: 318	: 323	: 333	: 350	: 331	: 346	: 347	320
1952	: 302	: 300	: 320	: 323	: 322	: 323	: 329	: 345	: 354	: 358	: 359	: 357	328
1953	: 316	: 309	: 324	: 328	: 324	: 330	: 333	: 336	: 345	: 349	: 351	: 373	332
1954	: 332	: 311	: 321	: 327	: 324	: 328	: 331	: 345	: 348	: 358	: 341	: 345	331
1955	: 332	: 323	: 334	: 336	: 337	: 334	: 342	: 343	: 352	: 354	: 360	: 367	339
1956	: 320	: 314	: 335	: 339	: 337	: 339	: 347	: 349	: 358	: 363	: 365	: 356	340
1957	: 341	: 331	: 345	: 334	: 333	: 333	: 343	: 341	: 343	: 343	: 340	: 341	338
1958	: 326	: 314	: 336	: 343	: 338	: 344	: 347	: 344	: 360	: 365	: 356	: 359	342
Yield of meal per ton crushed													
1950	: 918	: 894	: 890	: 893	: 895	: 884	: 909	: 927	: 907	: 825	: 920	: 918	896
1951	: 925	: 924	: 925	: 933	: 931	: 930	: 929	: 929	: 957	: 929	: 915	: 951	930
1952	: 946	: 954	: 970	: 970	: 955	: 947	: 953	: 966	: 965	: 972	: 960	: 974	961
1953	: 951	: 947	: 955	: 947	: 952	: 946	: 950	: 935	: 944	: 909	: 937	: 998	946
1954	: 971	: 979	: 966	: 972	: 966	: 981	: 991	: 1,000	: 969	: 981	: 968	: 947	976
1955	: 974	: 944	: 928	: 949	: 943	: 928	: 931	: 926	: 926	: 956	: 985	: 1,051	942
1956	: 939	: 946	: 960	: 969	: 962	: 957	: 972	: 963	: 975	: 999	: 987	: 978	964
1957	: 1,000	: 963	: 928	: 918	: 910	: 910	: 912	: 915	: 921	: 905	: 877	: 901	921
1958	: 940	: 881	: 940	: 950	: 952	: 922	: 917	: 902	: 937	: 959	: 945	: 934	928
Average price per ton received by farmers, United States, 1/ 2/													
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
1950	: 70.90	: 78.80	: 81.50	: 98.40	: 102.00	: 101.00	: 100.00	: 103.00	: 103.00	: 101.00	: 95.60	: 78.00	86.60
1951	: 69.10	: 66.10	: 69.90	: 72.70	: 71.50	: 70.10	: 67.10	: 61.50	: 60.80	: 60.80	: 61.90	: 71.00	69.30
1952	: 69.80	: 69.60	: 70.70	: 69.70	: 68.50	: 65.30	: 64.50	: 63.60	: 63.10	: 61.80	: 61.20	: 59.00	69.60
1953	: 56.70	: 51.50	: 52.40	: 53.30	: 53.00	: 52.00	: 51.40	: 50.50	: 50.80	: 51.40	: 51.40	: 54.00	52.70
1954	: 61.30	: 61.60	: 60.20	: 59.40	: 59.60	: 56.80	: 55.20	: 53.40	: 53.40	: 53.10	: 52.00	: 54.00	60.30
1955	: 50.10	: 43.70	: 43.50	: 44.30	: 45.00	: 45.50	: 46.20	: 46.80	: 46.90	: 47.30	: 47.40	: 49.00	44.60
1956	: 51.00	: 47.70	: 54.10	: 59.20	: 59.90	: 60.40	: 58.60	: 60.60	---	---	---	: 55.00	53.40
1957	: 55.70	: 53.20	: 49.80	: 50.00	: 50.50	: 51.20	: 49.90	: 51.20	---	---	---	: 45.00	51.10
1958	: 47.60	: 45.50	: 43.20	: 43.50	: 43.00	: 43.30	: 43.80	: 45.40	---	---	---	: 42.00	43.80

1/ Monthly prices by States weighted by sales to obtain a weighted average for the United States; season average prices by States weighted by sales during the crop marketing season to obtain the United States average.

2/ Season average price includes an allowance for unredeemed loans.

Table 7.—Cottonseed oil: Supply, disposition and price, by months, crop years 1950-58 ^{1/}

Production													
Year beginning August	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Year
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1950	74	123	197	184	140	146	105	78	55	38	34	24	1,197
1951	60	167	260	244	206	221	176	144	107	72	53	41	1,751
1952	45	157	252	234	216	212	182	167	133	95	75	55	1,823
1953	57	158	252	250	232	238	211	204	165	126	97	79	2,068
1954	83	165	220	216	197	196	170	151	111	102	67	57	1,735
1955	70	159	237	263	227	231	211	171	136	91	54	43	1,894
1956	58	165	242	230	193	208	170	139	100	82	54	43	1,685
1957	48	115	224	204	181	174	140	111	87	62	43	45	1,436
1958 ^{2/}	48	96	239	202	185	188	153	149	117	65	42	35	1,518
Stocks, first of month													
1950	215	141	137	197	254	272	286	293	287	280	257	216	
1951	167	127	193	308	410	479	536	567	587	574	530	460	
1952	402	356	393	507	634	745	825	895	962	997	1,001	992	
1953	971	956	1,016	1,100	1,160	1,259	1,336	1,362	1,346	1,277	1,153	1,048	
1954	996	924	896	923	857	814	802	691	694	669	623	507	
1955	398	346	361	439	528	570	609	597	552	540	462	366	
1956	284	232	254	345	401	416	437	457	427	395	353	275	
1957	202	136	146	203	242	257	281	298	314	280	251	215	
1958	168	128	121	226	294	353	422	433	477	410	344	274	
1959 ^{2/}	214												
Exports ^{3/}													
1950	3	7	12	12	4	3	6	4	3	3	1	2	61
1951	3	3	9	9	14	11	14	17	14	9	9	8	120
1952	6	2	4	5	6	7	6	5	5	5	2	1	55
1953	3	1	18	13	9	7	21	79	44	59	54	44	351
1954	22	28	25	122	87	58	140	14	16	23	66	81	684
1955	25	50	22	38	69	56	56	98	43	52	72	53	634
1956	22	31	13	49	74	51	36	61	29	4	41	22	434
1957	29	14	33	32	60	21	17	16	34	10	9	9	286
1958 ^{2/}	3	2	4	15	19	31	17	9	97	53	25	66	342
Domestic disappearance													
1950	146	120	125	115	117	128	93	79	58	59	73	71	1,184
1951	97	98	136	132	123	153	131	106	106	107	113	91	1,396
1952	84	119	134	101	99	125	105	96	93	86	82	75	1,200
1953	69	96	150	177	124	153	164	141	191	192	147	87	1,692
1954	133	165	168	160	152	150	141	134	121	124	118	85	1,650
1955	97	95	136	136	116	136	168	118	105	117	79	73	1,375
1956	88	113	138	126	104	135	115	108	104	120	90	94	1,333
1957	86	91	134	133	106	129	106	79	87	80	71	83	1,184
1958 ^{2/}	85	100	130	120	107	120	124	96	87	78	87	28	1,163
Price per pound, crude, tank cars, f.o.b., S.E. mills													
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1950	17.2	17.9	18.5	20.6	21.4	23.9	24.5	23.5	23.5	22.2	16.9	14.6	20.4
1951	15.4	14.7	14.4	13.8	13.2	12.5	12.2	12.0	10.5	11.9	12.6	12.6	13.0
1952	13.2	13.8	13.9	13.8	14.0	14.1	14.2	14.9	15.3	14.8	15.0	14.0	14.2
1953	13.2	13.2	13.5	13.8	13.0	12.3	12.6	13.2	14.3	14.3	14.7	14.6	13.6
1954	14.3	13.5	12.8	12.8	13.0	13.0	13.1	13.0	13.4	14.0	14.3	13.5	13.4
1955	12.4	11.4	11.3	11.1	11.4	12.2	13.3	14.7	15.4	15.6	14.4	13.0	13.0
1956	12.3	12.0	13.3	14.0	13.9	14.5	14.1	13.4	13.2	12.9	13.3	13.8	13.4
1957	13.0	12.7	12.7	13.9	14.8	15.0	14.5	13.8	13.9	13.9	12.6	12.1	13.6
1958	11.8	11.4	11.2	11.4	11.1	11.1	11.0	10.9	11.3	12.6	13.1	13.1	11.7

^{1/} Totals computed from unrounded data. ^{2/} Preliminary. ^{3/} Beginning November 1954 includes exports from CCC holdings that are not reported by Census.

Table 8.--Cottonseed oil: Supply and disposition and oil equivalent of exports of cottonseed, 1947-1958

Year begin- ning August	Supply				Disposition		Cottonseed (oil equivalent of exports)
	Production	Imports	Stocks August 1	Total	Exports	Domestic disap- pearance	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1947	1,276	4	186	1,466	33	1,313	2
1948	1,704	<u>1</u> /	120	1,824	82	1,558	2
1949	1,847	---	185	2,032	147	1,670	3
1950	1,197	---	215	1,412	61	1,184	2
1951	1,751	---	167	1,918	120	1,396	3
1952	1,823	<u>1</u> /	402	2,225	55	1,200	4
1953	2,068	---	971	3,039	351	1,692	5
1954	1,735	---	996	2,731	684	1,650	7
1955	1,894	---	398	2,292	634	1,375	5
1956	1,685	---	284	1,966	434	1,333	4
1957	1,436	---	202	1,638	286	1,184	2
1958 <u>2</u> /	1,518	---	201	1,720	342	1,163	1
1959			214				

1/ Less than 500,000 pounds. 2/ Preliminary.

Totals computed from unrounded numbers.

Table 9.--Cottonseed oil: Utilization, year beginning August, 1947-58

Year begin- ning August	Food uses				Nonfood uses				Total domestic disap- pearance
	Shorten-	Margar-	Other	Total	Soap	Foots and loss	Other	Total	
	ing	ine							
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1947	312	434	477	1,224	1/	84	4	89	1,313
1948	470	448	507	1,425	1	127	5	133	1,558
1949	583	451	469	1,503	0	158	8	166	1,670
1950	356	322	399	1,077	1/	98	9	107	1,184
1951	412	392	463	1,267	1/	123	6	129	1,396
1952	329	283	459	1,071	1/	125	4	129	1,200
1953	573	354	629	1,556	1/	132	4	136	1,692
1954	547	328	669	1,544	1/	99	6	105	1,650
1955	354	286	611	1,251	0	115	9	124	1,375
1956	286	273	689	1,247	0	78	8	86	1,333
1957	247	163	664	1,073	0	105	7	112	1,184
1958 2/	294	132	641	1,067	0	89	7	96	1,163

1/ Less than 500,000 pounds. 2/ Preliminary.

Totals computed from unrounded numbers.

Table 10.--Cottonseed: Acreage, yield and production, by States, crop years 1956-58

State	Acreage harvested			Yield per acre harvested			Production		
	1956	1957	1958	1956	1957	1958	1956	1957	1958
	1,000 acres	1,000 acres	1,000 acres	Lb.	Lb.	Lb.	1,000 tons	1,000 tons	1,000 tons
Texas	6,200	5,905	5,395	483	525	673	1,497	1,550	1,816
Mississippi	1,595	1,335	1,125	823	689	727	656	460	409
Arkansas	1,365	1,130	1,015	851	740	774	581	418	393
California	749	711	732	1,509	1,724	1,710	565	613	626
Alabama	972	735	530	617	585	679	300	215	180
Arizona	358	352	377	1,866	1,830	1,639	334	322	309
Georgia	830	570	381	566	586	756	235	167	144
Tennessee	543	465	400	777	757	890	211	176	178
South Carolina	682	500	352	613	564	705	209	141	124
Louisiana	562	440	364	847	673	698	238	148	127
Oklahoma	715	540	410	302	422	629	108	114	129
Missouri	366	305	295	1,033	511	800	189	78	118
North Carolina	440	344	263	668	558	806	147	96	106
New Mexico	181	183	176	1,326	1,082	1,443	120	99	127
Other States	57	43	34	596	558	706	17	12	12
United States	15,615	13,558	11,849	693	680	810	5,407	4,609	4,798

Table 11.--Cottonseed: Price received by farmers and value of production and sales, by States, crop years 1956-58

State	Season average price received by farmers, per ton			Value of production			Value of sales		
	1956	1957	1958	1956	1957	1958	1956	1957	1958
	Dol.	Dol.	Dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.
Texas	57.40	51.80	42.40	85.9	80.3	77.0	78.4	75.1	71.7
Mississippi	51.70	50.30	47.70	33.9	23.1	19.5	31.0	20.1	17.2
Arkansas	50.30	50.60	45.00	29.2	21.2	17.7	26.7	19.2	16.2
California	62.10	52.80	43.00	35.1	32.4	26.9	32.9	30.6	25.8
Alabama	45.50	46.30	44.80	13.6	10.0	8.1	12.7	9.3	7.2
Arizona	58.20	53.90	43.00	19.4	17.4	13.3	18.3	16.7	12.9
Georgia	45.20	50.20	49.60	10.6	8.4	7.1	9.9	7.8	6.4
Tennessee	46.90	48.10	45.30	9.9	8.5	8.1	9.1	7.9	7.5
South Carolina	43.60	50.20	48.10	9.1	7.1	6.0	8.5	6.5	5.3
Louisiana	51.30	47.70	40.40	12.2	7.1	5.1	11.5	6.7	4.6
Oklahoma	55.80	49.70	41.40	6.0	5.7	5.3	5.3	5.2	5.0
Missouri	46.00	46.50	41.90	8.7	3.6	4.9	7.9	3.2	4.6
North Carolina	42.90	48.30	46.60	6.3	4.6	4.9	5.6	4.1	4.4
New Mexico	66.80	56.60	45.30	8.0	5.6	5.8	7.5	5.3	5.5
Other States ^{1/}	44.60	50.40	44.30	.7	.6	.5	.7	.5	.5
United States	53.40	51.10	43.80	288.9	235.4	210.3	266.2	218.4	194.8

^{1/} Simple average.

Butter Output Continues Below
Last Year; Prices Strengthen

Output of creamery butter during October-July 1958-59 totaled 1,151 million pounds, about 5 percent less than last year. Butter output this summer was down due to the slight decline in total milk production, particularly in June and July, and larger consumption of fluid whole milk and ice cream. As has been the case over time when supplies of manufacturing milk decline, butter this year made the biggest adjustment in output of any manufactured dairy product.

In most postwar years, the general level of prices to farmers for butterfat has been largely influenced by the price support level. With a decline in the surplus during the last 2 years, the downward pressure on butterfat prices was less than formerly. In fact, within the last few months, the price to farmers exceeded the level of a year earlier by around 1 percent, even though the support level has not changed since April 1958. Since the autumn of 1958, CCC has bought less butter than a year earlier. The suspension of offerings of butter to CCC beginning in August 1959 reflected the decline in butter output and wholesale prices for butter increased. Butter prices (92-score creamery, Chicago) advanced from 58.0 cents per pound in July 1959 to 60.1 cents in August and by mid-September were 63 cents per pound. CCC announced on September 2 that all domestic and export sales of butter would be discontinued because supplies were exhausted.

Domestic consumption of butter during October-July 1958-59 totaled 1,141 million pounds compared with 1,140 million a year earlier. Stocks on August 1, 1959 at 148 million pounds were down 42 million pounds from the 190 million pounds the same date last year. Exports, mainly from CCC stocks, so far during October-July 1958-59 amounted to about 8 million pounds in contrast with 29 million pounds the year before.

Butter Production in 1959-60 Probably Will Be
Down Slightly For the Fourth Consecutive Year

Butter production in the 1959-60 marketing year beginning October 1 probably will ease off a little from the 1,450 million pounds (including farm) estimated for the year just ending. Butter output has slid off each year since 1955. Total supplies in 1959-60 will be down even more than output because of lower carryover stocks. Milk production may be about as large as last year but a bigger share probably will be used as fluid milk and for dairy products other than butter.

Butterfat prices during 1959-60 are expected to be slightly above support part of the time as in the current autumn season. Prices after March 1960 will depend mainly on the level of support to be established for the 1960-61 dairy marketing year which begins April 1. Under existing legislation, prices for milk and butterfat to farmers must be supported at a level between 75 percent and 90 percent of parity. The exact level within this range is chosen by the Secretary of Agriculture, the guiding criterion

being the assurance of an adequate supply of milk. Butterfat support prices have been near the lower of the permitted range since April 1954. With the increase in population and an approximate maintenance of the per capita consumption rate, it is likely that CCC butter purchases in 1959-60 will be smaller than a year earlier.

Flaxseed Supplies Tighten as
1959 Output Drops Sharply and CCC Inventory
Dwindles; Prices Advance

The 1959-60 flaxseed outlook has changed within two months from a surplus position to relative tightness. As a result, flaxseed price (No. 1 spot, Minneapolis) moved up from \$2.95 per bushel on July 1, the beginning of the new marketing year, to \$3.45 in mid-September. Production of 1959 crop flaxseed is estimated at nearly 24 million bushels, more than a third below last year and the smallest crop since 1946. The reduction reflects the decline in acreage along with unusually low yields.

Although the flaxseed carryover on July 1 was up, the smaller crop reduces the total supply well below last year. Furthermore export demand so far this marketing year has been strong and CCC stocks have dwindled. In mid-September the Corporation's inventory of 6.6 million bushels was virtually liquidated. However, CCC held or was due to receive about 54 million pounds of linseed oil from its toll crushing program which ended August 3. With Canada's 1959 crop also down from last year and uncertainty over the size of the Argentine crop because excessive rains have delayed plantings, coupled with strong world demand, U. S. prices to farmers will average well above the 1959 support rate of \$2.38 per bushel and the \$2.69 received last year.

The supply of flaxseed in the 1959-60 marketing year is placed at 39 million bushels compared with 48 million last year. Crushings of flaxseed for oil may be around 24 million bushels and another 3 million will be needed for seed and feed. With 5 million bushels needed as a minimum commercial carryover, this would leave a maximum of 7 million bushels of flaxseed or linseed oil (flaxseed equivalent) available for export. This quantity is likely to be exported, as world demand is strong and world exportable supplies are smaller than a year earlier. As a matter of fact, about 4 million bushels have already been exported so far this season primarily from CCC stocks. Therefore CCC's holdings of 54 million pounds of linseed oil (about 2.7 million bushels flaxseed equivalent) constitutes the entire visible surplus above minimum domestic requirements.

Linseed Oil Prices in 1959-60 Expected to
Average Higher Than Last Season

Linseed oil prices (raw, tank cars, Minneapolis) at the beginning of the 1959-60 marketing year averaged 12.5 cents per pound, 1.2 cents less than July a year earlier. Prices started to move up in late August and in mid-September were 13.0 cents per pound, 0.6 cents below a year ago. This rise reflects the smaller supplies of linseed oil and the short 1959 crop. The outlook for linseed oil prices indicates that they will strengthen further from current levels during the marketing year and will average somewhat above the 12.9 cents during 1958-59.

Linseed meal prices (bulk, Minneapolis) at the beginning of the 1959-60 marketing year averaged \$62 per ton, about \$5 above July 1958. Prices of meal strengthened in August and in mid-September were \$66 per ton, about \$16 above a year ago. Demand for high protein feeds continues strong and linseed meal stocks are less than half those of last year. Linseed meal prices probably will continue above normal in relation to prices of other protein feeds as flaxseed crushings continue small in comparison with earlier years and stocks remain relatively low.

CCC Tung Oil Inventory

Down to 5 Million Pounds;

75 Percent of 1958 Crop Under Support

CCC continues to offer tung oil for export sale on the basis of competitive bidding; through mid-September the Corporation had sold about 21 million pounds of its holdings. A recent CCC export sale of 1,000,000 pounds of tung oil was made at 17.2 cents per pound. CCC sales have been made on a rising market because of the tightness in world export availabilities and the fact that the U. S. is the chief source of supply for the European markets.

About 34 million pounds, around three-fourths of the 1958-59 tung oil output, was placed under support. Current estimates of domestic use indicate that CCC probably will acquire around 25 million pounds of tung oil from the 1958 crop. Purchase agreements and loans on tung oil were available through June 30. Loans mature October 31 or earlier on demand by CCC.

Prices of domestically produced tung oil (southern mills) during November-March averaged 21 cents per pound or about at support. Prices started to strengthen in early April and hit a seasonal peak of 23-3/4 in mid-August. Prices since then have been firm at 23.0 cents per pound, 1.7 cents above September 1958. Prospects are that the price steadiness will continue until late this fall when production of tung oil picks up seasonally.

Domestic disappearance of tung oil during November-July 1958-59 is placed at 40 million pounds, about 7 million more than a year earlier. Demand for tung oil is increasing this year along with a general upturn in industrial activity.

Stocks of tung oil on August 1, 1959 totaled 49 million pounds, 7 million above the year before. Carryover stocks last November, the beginning of the 1958-59 marketing year, were 12 million above the previous year.

Tallow and Grease Output Up

13 Percent; Prolonged Period

Of Low Prices In The Offing

Apparent production of inedible tallow and greases in October-July 1958-59 totaled 2,600 million pounds, about 13 percent more than a year

earlier (table 29). The marketing year total may be around 3,100 million pounds, about 350 million more than last year. Domestic disappearance is running about 6 percent above last year and exports are up 14 percent. But total disappearance was not great enough to offset the big increase in output, and stocks increased sharply. Stocks on August 1, 1959 were nearly a third above the same date last year.

Prices of inedible tallow (prime, tank cars, Chicago) declined steadily from 7.6 cents per pound in October 1958 to 6.1 cents in August 1959, averaging 6.9 cents, compared with 7.7 cents a year earlier. Prices in mid-September at 5.6 cents per pound were nearly 2.0 cents under September 1958 and the lowest since 1953. The outlook for the year ahead is for relatively low inedible tallow prices as output rises in 1959-60 and stocks remain large. Prospects are that prices this fall will be at the lowest level since 1953 when they averaged 5.3 cents per pound during October-December. No real relief in tallow prices is probable until livestock slaughter turns downward again.

Output of inedible tallow and greases in the marketing year beginning October 1, 1959, is currently forecast at 3.3 billion pounds compared with 3.1 billion estimated for the year just ending. The rise would reflect the anticipated increase in cattle and hog slaughter.

Peanut Consumption Per Person
in 1958-59 Remains at Year
Earlier Level

Civilian consumption of peanuts (shelled basis) for the 1958-59 marketing year just ended is placed at 4.4 pounds per person, about the same as the year before (table 12). About 4.0 pounds were consumed in the form of peanut butter, as salted peanuts, and in candy. Nearly a half pound per person was used as roasted peanuts and the remainder was consumed as food on farms. Other farm uses for seed, feed, and loss and shrinkage remained relatively stable in recent years.

The manufacture of peanut butter consumes as much peanuts as all other peanut food products combined. In the 1958-59 season, about 707 million pounds of edible grade, raw shelled peanuts were reported as utilized directly by the industry in the manufacture of primary products, and about 379 million pounds, or 54 percent, were used in the manufacture of peanut butter. About 25 percent of edible grade peanuts was consumed as salted peanuts; 19 percent in peanut candy; and 2 percent in other uses (table 14).

Use of shelled peanuts per person in 1958-59 was as follows: Peanut butter, 2.1 pounds; salted peanuts, 1.0 pound; peanut candy, 0.8 pound; and 0.2 pound, peanut butter sandwiches and other products. Use of peanuts in the manufacture of peanut butter in the last 10 years has trended upward, from 1.7 pounds per person in 1949-50 to 2.1 pounds in 1957-58. During this period, use as salted nuts increased from 0.8 pound per person to 1.0 pound, while use in peanut candy and other products remained about the same (table 16).

Table 12.--Peanuts: Domestic disappearance for food uses (farmers stock basis, except where otherwise indicated), average 1937-41 and 1942-58

Year beginning August	Total use for food			Per capita use				
	Shelled	Cleaned roasting stock	Farm use	Total	Kernel basis	Shelled only	Total	Kernel basis
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.	Lb.	Lb.
Average								
1937-41	770	73	63	907	609	5.9	6.9	4.6
1942	1,159	63	96	1,318	904	8.5	9.7	6.7
1943	1,143	82	88	1,312	884	8.3	9.5	6.4
1944	1,205	109	95	1,410	978	8.7	10.1	7.0
1945	1,112	86	84	1,282	896	7.9	9.1	6.4
1946	920	70	91	1,081	746	6.4	7.6	5.2
1947	785	68	82	935	654	5.4	6.4	4.5
1948	818	71	72	961	672	5.5	6.5	4.5
1949	732	67	63	863	613	4.9	5.7	4.1
1950	847	69	64	981	690	5.5	6.4	4.5
1951	880	81	53	1,015	708	5.6	6.5	4.5
1952	879	82	47	1,008	688	5.5	6.4	4.3
1953	892	79	46	1,017	701	5.5	6.3	4.4
1954	910	70	39	1,019	684	5.5	6.2	4.2
1955	839	66	49	955	677	5.0	5.7	4.1
1956	931	54	43	1,029	737	5.5	6.1	4.3
1957	971	75	40	1,087	767	5.6	6.3	4.4
1958	968	82	45	1,095	775	5.5	6.2	4.4

Table 13.--Shelled peanuts (all grades): Supply and disposition, average 1938-41 and 1942-58

Year beginning August	Domestic disappearance					Edible use		
	Production	Imports	Beginning stocks	Exports 1/	Total	Crush- ings	Total	Per capita
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.
Average								
1938-41	554	4	63	2	558	32	527	4.0
1942	885	3	74	3	832	38	795	5.8
1943	864	---	126	20	811	41	770	5.6
1944	1,017	38	160	16	1,042	205	836	6.0
1945	1,055	21	157	40	991	214	777	5.5
1946	909	2/	202	158	824	189	635	4.4
1947	998	2/	129	330	682	133	549	3.8
1948	1,259	2/	116	499	791	219	572	3.9
1949	1,070	2/	84	119	935	414	520	3.5
1950	1,085	2/	101	47	999	403	596	3.9
1951	749	---	140	4	777	163	614	3.9
1952	744	---	109	1	733	133	600	3.8
1953	998	2/	118	164	824	209	615	3.8
1954	562	121	128	5	683	72	611	3.7
1955	821	2	122	1	778	183	595	3.6
1956	990	4	166	62	854	186	667	3.9
1957	828	2	244	32	855	168	685	4.0
1958	1,067	1	189	41	923	237	685	3.9
1959			293					

1/ Includes shipments.

2/ Less than 500,000 pounds.

Table 14.--Shelled peanuts (edible grades): Reported and unreported use, 1945-58

Year beginning August	Reported use					Un- reported	Total
	Candy	Salted	Peanut butter ^{1/}	Other	Total		
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1945	134	172	349	15	670	107	777
1946	147	157	268	12	584	51	635
1947	122	116	249	6	492	57	549
1948	104	121	250	7	482	90	572
1949	124	117	252	9	502	18	520
1950	120	133	276	6	535	61	596
1951	121	141	276	6	544	70	614
1952	119	147	287	7	560	40	600
1953	119	149	298	7	572	43	615
1954	111	143	300	9	563	48	611
1955	119	146	326	10	600	--	600
1956	136	163	336	11	646	21	667
1957	137	171	373	13	694	--	694
1958	135	180	379	13	707	--	707

^{1/} Excludes peanut butter made by manufacturers for own use in candy except for 1945-46 season. Beginning August 1956 includes peanut butter used in sandwiches.

Table 15.--Cleaned peanuts (roasting stock): Supply and disposition, average 1938-41 and 1942-58

Year beginning August	Production	Imports	Stocks August 1	Exports ^{1/}	Domestic disappearance	
					Total	Per capita
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.
Average						
1938-41	68	2/	10	2/	69	0.5
1942	62	2/	9	2/	60	.4
1943	84	2	12	2	78	.6
1944	102	---	18	1	104	.7
1945	94	1	15	5	82	.6
1946	70	2/	23	18	67	.5
1947	80	2/	9	9	65	.4
1948	76	2/	14	10	68	.5
1949	72	2/	11	5	64	.4
1950	76	2/	14	2	66	.4
1951	72	---	23	2	77	.4
1952	77	---	15	1	78	.5
1953	77	2/	13	2/	75	.5
1954	68	---	15	1	67	.4
1955	64	1	15	2/	63	.4
1956	71	2/	18	14	51	.3
1957	72	2/	24	4	71	.4
1958	73	---	21	3	78	.4
1959			13			

^{1/} Includes shipments.

2/ Less than 500,000 pounds.

Table 16.--Shelled peanuts (edible grades): Reported use in primary products, by types, 1945-58

Year beginning August	Total all types											
	Peanut butter 1/		Salted peanuts		Peanut candy 2/		Peanut butter sandwiches		Other		Total	
	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita
	Million pounds	Pounds	Million pounds	Pounds	Million pounds	Pounds	Million pounds	Pounds	Million pounds	Pounds	Million pounds	Pounds
1945	349.3	2.6	171.8	1.3	134.3	1.0			14.5	.1	669.9	5.0
1946	268.0	1.9	157.1	1.1	146.7	1.0			12.3	.1	584.0	4.1
1947	248.6	1.7	115.7	.8	122.4	.8			5.7	---	492.4	3.4
1948	250.3	1.7	120.6	.8	104.0	.7			6.8	---	481.7	3.3
1949	251.5	1.7	116.8	.8	124.1	.8			9.3	.1	501.8	3.4
1950	276.1	1.8	132.7	.9	119.9	.8			6.3	---	535.0	3.5
1951	275.8	1.8	140.6	.9	120.8	.8			6.5	---	543.7	3.6
1952	286.8	1.9	147.4	1.0	119.2	.8			6.7	---	560.1	3.6
1953	297.5	1.9	149.1	.9	118.9	.8			6.8	---	572.4	3.6
1954	299.9	1.9	143.3	.9	110.8	.7			9.3	.1	563.3	3.5
1955	325.7	2.0	146.3	.9	118.6	.7			9.5	.1	600.1	3.7
1956	320.1	1.9	163.4	1.0	136.1	.8	15.8	.1	10.8	.1	646.3	3.9
1957	357.1	2.1	171.0	1.0	137.1	.8	15.8	.1	13.1	.1	694.1	4.1
1958	362.5	2.1	180.3	1.0	135.1	.8	16.0	.1	13.4	.1	707.3	4.1
Virginia												
1945	25.8	.2	101.2	.8	9.3	.1			3.6	---	139.9	1.0
1946	27.5	.2	104.2	.7	11.1	.1			3.9	---	146.7	1.0
1947	33.6	.2	81.8	.6	10.2	.1			2.9	---	128.5	.9
1948	35.1	.2	89.9	.6	14.3	.1			2.9	---	142.2	1.0
1949	24.7	.2	83.5	.6	15.6	.1			1.4	---	125.3	.8
1950	20.2	.1	88.4	.6	19.7	.1			.9	---	129.1	.9
1951	49.0	.3	101.5	.7	35.8	.2			1.4	---	187.7	1.2
1952	60.2	.4	109.3	.7	38.8	.3			2.0	---	210.2	1.4
1953	49.9	.3	109.4	.7	38.3	.2			2.6	---	200.1	1.3
1954	63.0	.4	108.1	.7	37.2	.2			2.9	---	211.3	1.3
1955	35.6	.2	100.5	.6	36.6	.2			2.1	---	174.8	1.1
1956	50.4	.3	113.8	.7	44.5	.3	3.6	---	3.1	---	215.4	1.3
1957	91.8	.5	124.7	.7	45.4	.3	5.1	---	5.3	---	272.4	1.6
1958												
Runner												
1945	141.1	1.0	14.2	.1	32.2	.2			4.2	---	191.8	1.4
1946	92.1	.7	8.7	.1	17.4	.1			2.4	---	120.6	.9
1947	83.0	.6	1.5	---	9.4	.1			1.1	---	95.0	.7
1948	76.7	.5	.5	---	3.6	---			1.7	---	82.6	.6
1949	106.2	.7	2.2	---	8.4	---			5.3	---	122.1	.8
1950	139.5	.9	7.9	---	13.0	.1			3.9	---	164.2	1.1
1951	134.2	.9	2.9	---	16.5	.1			3.1	---	156.7	1.0
1952	167.1	1.1	4.4	---	28.4	.2			3.0	---	202.9	1.3
1953	152.1	1.0	4.8	---	17.6	.1			1.7	---	176.2	1.1
1954	166.2	1.0	3.0	---	19.1	.1			2.8	---	191.1	1.2
1955	153.6	.9	7.7	---	18.7	.1			3.9	---	184.0	1.1
1956	166.8	1.0	3.4	---	19.6	.1	10.5	.1	5.3	---	205.5	1.2
1957	158.3	.9	1.0	---	13.7	.1	7.5	---	5.0	---	185.5	1.1
1958												
Spanish												
1945	182.4	1.4	56.4	.4	92.7	.7			6.7	---	338.2	2.5
1946	175.2	1.2	44.2	.3	91.3	.6			6.0	---	316.7	2.2
1947	157.3	1.1	32.3	.2	77.5	.5			1.7	---	268.8	1.9
1948	160.8	1.1	30.1	.2	63.8	.4			2.2	---	256.9	1.8
1949	148.1	1.0	31.1	.2	72.6	.5			2.6	---	254.4	1.7
1950	133.9	.9	36.3	.2	69.9	.5			1.5	---	241.6	1.6
1951	92.6	.6	36.3	.2	68.5	.4			1.9	---	199.3	1.3
1952	59.6	.4	33.8	.2	52.0	.3			1.7	---	147.1	.9
1953	95.6	.6	35.0	.2	63.1	.4			2.5	---	196.1	1.2
1954	70.7	.4	32.1	.2	54.5	.3			3.6	---	160.9	1.0
1955	136.4	.8	38.1	.2	63.3	.4			3.5	---	241.3	1.5
1956	100.2	.6	46.2	.3	72.0	.4	4.4	---	2.5	---	225.3	1.3
1957	107.0	.6	45.2	.3	78.0	.5	3.1	---	2.8	---	236.2	1.4
1958												

1/ Excludes peanut butter made by manufacturers for own use in candy except for 1945-46 season. Beginning August 1956 excludes peanut butter used in sandwiches.

2/ Includes peanut butter made by manufacturers for own use in candy except for 1945-46 season.

The per capita use of cleaned unshelled peanuts (roasting stock) has been relatively stable in the last decade -- close to a half pound per person.

1959-60 Peanut Supplies Largest
Since 1950; Farm Prices to
Average Near Reduced Support Level

The total supply of farmer's stock peanuts in the 1959-60 marketing year that began August 1, 1959 is currently estimated at 2,200 million pounds, 25 million more than a year earlier and the largest since 1950 (table 17). The increase is due to a 45 percent increase in carryover stocks as output is down about 7 percent. The 1959 peanut crop is far above probable food and farm uses, and CCC will likely acquire the surplus under the support program.

The 1959 peanut crop was estimated as of September 1, 1959 at 1,710 million pounds compared with 1,836 million produced in 1958. The decline reflects a 2 percent reduction in acreage to be picked and threshed along with yields somewhat below last year's record high.

Prospects are that prices received by farmers for 1959 crop peanuts will average somewhat lower than for the 1958 crop, reflecting the 10 percent drop in the support price and production large enough to keep prices around the loan level. The national average support price is 9.7 cents per pound (\$193.50 per ton), compared with 10.7 cents per pound (\$213.20 per ton) last year.

Loans on 1959 crop peanuts are available to individual producers and grower associations through January 31, 1960 and will mature May 31, 1960 or earlier on demand by CCC.

Peanut Consumption Likely to
Rise in 1959-60; CCC Will Acquire
Substantial Share of Crop

Civilian consumption of peanuts in the postwar era has averaged about 6.5 pounds per person, farmers' stock basis (4.5 pounds shelled), about the same as for 1937-41. Supplies of peanuts in most years were plentiful and prices averaged near the support.

Current indications point to an increase in the consumption of peanuts during the 1959-60 marketing year. Supplies available will be the heaviest in recent years and the 1959 price support is 1.0 cent per pound below last year, and the lowest in the postwar years. These factors are setting the stage for some increase in the consumption of peanuts, but the rate will depend largely upon how much of the anticipated reduction in farm prices is reflected in the price of peanut products purchased by consumers.

If the consumption of peanuts per person should rise slightly in 1959-60 and farm uses should remain about the same as in recent years, about 400 million pounds or 23 percent of the 1959 crop would be available for crushing,

Table 17 .--Peanuts: Supply and disposition (farmers' stock basis), United States, 1937-59

Year begin- ning Aug. 1	Supply				Disposition					
	Pro- duc- tion	Im- ports	Begin- ning stocks 1/	Total supply	Ex- ports and ship- ments	Crush- ed for oil	Seed, feed, farm loss and shrink- age	Domestic food use		
								Mili- tary	Civil- ian	Civil- ian per capita
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.
Average :										
1937-41 :	1,395	5	122	1,522	3	320	197	15	891	6.7
1942 :	2,193	4	190	2,387	5	420	336	146	1,172	9.0
1943 :	2,176	2	308	2,486	34	488	295	223	1,085	8.5
1944 :	2,081	54	357	2,492	28	436	307	288	1,122	8.7
1945 :	2,042	32	311	2,385	64	397	295	14	1,268	9.4
1946 :	2,038	2/	367	2,405	249	534	293	---	1,081	7.7
1947 :	2,182	2/	248	2,430	482	477	301	3	932	6.5
1948 :	2,336	2/	235	2,571	725	473	210	6	955	6.5
1949 :	1,865	2/	202	2,067	172	610	219	7	856	5.7
1950 :	2,035	0	203	2,238	69	629	212	14	967	6.4
1951 :	1,659	0	347	2,006	8	432	139	10	1,005	6.6
1952 :	1,356	0	412	1,768	3	195	142	10	998	6.4
1953 :	1,574	2/	420	1,994	239	303	152	10	1,007	6.4
1954 :	1,008	180	283	1,471	9	107	132	7	1,012	6.3
1955 :	1,548	5	204	1,757	6	257	172	1	954	5.8
1956 :	1,608	5	367	1,980	102	260	162	3	1,026	6.1
1957 :	1,436	2	427	1,874	48	239	163	3	1,084	6.4
1958 :	1,836	2	337	2,175	62	335	195	8	1,087	6.3
1959 3/ :	41,710	2	488	2,200					(1,150)	6.5

1/ Includes oil stock peanuts.

2/ Less than 500,000 pounds.

3/ Preliminary. Disposition is forecast.

4/ Indicated September 1.

Shelled edible peanuts and shelled oil stock peanuts converted to farmer stock peanuts based on conversion factors calculated from result of shelling operations in each year.

Table 18.--Peanuts: Allotments, acreage, yield, marketing quotas and production, farmers' stock basis, 1938-59

Crop year	Acreage				Yield per acre		Announced marketing quota	Pro- duction	Production : less : announced : marketing : quota	Excess acreage peanuts sold for oil 3/
	Allotment		Picked and threshed		Used in deter- mining allot- ments	Actual				
	Actual 1/	Legal minimum 2/	Total	Percent- age of allotment						
1,000 acres	1,000 acres	1,000 acres	Percent	Pounds	Pounds	Million pounds	Million pounds	Million pounds	Million pounds	
Average 1938-41	1,448	4/	1,888	5/131	4/	759	6/	1,436	---	7/
1942	1,610	1,610	3,355	8/208	4/	654	1,256	2,193	937	409
1943	2/	4/	3,528	---	---	617	---	2,176	---	---
1944	---	4/	3,068	---	---	678	---	2,081	---	---
1945	---	4/	3,160	---	---	646	---	2,042	---	---
1946	---	4/	3,141	---	---	649	---	2,038	---	---
1947	---	4/	3,377	---	---	646	---	2,182	---	---
1948	9/	4/	3,296	---	---	709	---	2,336	---	---
1949	10/2,629	1,610	2,308	88	651	808	10/1,700	1,865	165	---
1950	2,200	2,100	2,262	103	665	900	1,286	2,035	749	68
1951	1,889	1,610	1,982	105	734	837	1,300	1,659	359	194
1952	1,706	1,610	1,443	85	777	940	1,300	1,356	56	---
1953	1,679	1,610	1,515	90	790	1,039	1,326	1,574	248	---
1954	11/1,610	1,610	1,387	86	837	727	11/1,348	1,008	-340	---
1955	1,731	1,610	1,669	96	920	928	1,592	1,548	-44	---
1956	1,650	1,610	1,385	84	894	1,160	1,500	1,608	108	---
1957	1,611	1,610	1,481	92	901	970	1,451	1,436	-15	---
1958	1,612	1,610	1,523	94	1,026	1,205	1,652	1,636	184	---
1959 12/	1,612	1,610	1,496	93	1,101	1,154	1,772	1,710	-62	---

1/ Includes additional acreage for types of peanuts in short supply and/or required by legislation passed subsequent to establishment of the allotment. 2/ The 1941 allotment was declared the legal minimum except in 1950 when it was set at 2.1 million. The 1950 allotment was increased to 2.2 million in order to conform with subsequent legislation. 3/ In 1941, 1942, 1950 and 1951, producers could harvest without penalty peanuts from acreage in excess of their allotments if these peanuts were sold for crushing. Allowance has been made for substitution between quota and excess acreage peanuts. 4/ Not applicable. 5/ No penalties were imposed on peanuts from acreage in excess of allotments. 6/ Defined as peanuts grown on allotted acres. 7/ 157 million pounds in 1941. 8/ The Department of Agriculture requested farmers to expand their acreage in order to provide peanuts for crushing. 9/ The 1943 quota and allotment were terminated because of the war and not reimposed until the 1948 crop. However, they were also terminated for the 1948 crop because of the need for oil. 10/ The law specified that the marketing quota for 1949 be equal to the 1943-47 average production adjusted for trend and prospective demand conditions. 11/ Except for the minimum acreage required by law, the 1954 allotment would have been 1,546 thousand acres, based upon a marketing quota of 1,294 million pounds. The marketing quota was raised in order to obtain the minimum acreage allotment. 12/ Preliminary.

Table 19.--Peanuts: Price per pound, quantity acquired under support program, farmers' stock basis, by areas, 1938-58

Crop year	Average price						Acquired under support program				
	Received by farmers in-					Paid to : CCC for : crushing	Total	Percent : age of : produc- tion	Quant- ity	Percent	Percent
	Average : support : United : States	Virginia- : Carolina	South- : eastern	South- : western	United : States						
	Cents	Cents	Cents	Cents	Cents	Cents	Million : pounds	Million : pounds	Million : pounds	Million : pounds	Percent
Average 1938-41	1/	4.0	3.5	3.4	3.7	2.3	50	272	56	378	26
1942	1/	7.4	6.1	4.8	6.1	4.1	54	420	426	899	41
1943	1/	7.4	7.1	6.8	7.1	4.2	429	1,072	276	1,778	2/82
1944	1/	8.8	7.8	7.6	8.0	4.4	474	937	334	1,745	2/84
1945	1/	9.2	8.0	7.9	8.3	4.4	380	993	346	1,718	2/84
1946	9.8	10.3	8.8	8.6	9.1	9.7	4	17	34	55	3
1947	10.8	11.0	9.9	9.6	10.1	8.7	98	226	204	528	24
1948	10.4	10.9	10.5	10.3	10.5	5.4	214	740	213	1,167	50
1949	10.5	10.9	10.3	10.1	10.4	4.4	81	477	205	763	41
1950	10.8	12.7	10.4	10.3	10.9	7.5	96	554	184	835	41
1951	11.5	12.2	9.6	9.3	10.4	6.2	132	352	56	540	32
1952	12.0	11.3	10.4	11.4	10.9	7.2	37	69	0	106	8
1953	11.9	12.0	10.6	10.9	11.1	6.5	1	238	30	269	17
1954	12.2	13.5	11.1	11.7	12.2	0	0	0	0	0	0
1955	12.2	13.1	11.2	11.5	11.7	5.6	10	190	68	268	17
1956	11.4	11.9	10.7	11.2	11.2	5.5	89	245	0	334	21
1957	11.1	10.7	10.1	10.4	10.4	5.2	58	50	3/	108	8
1958	10.7	10.8	10.5	10.5	10.6	5.0	83	240	60	383	21

1/ No base price established. 2/ CCC was designated as the sole purchaser of farmers' stock peanuts in these years. 3/ Less than 500,000 pounds.

Table 20.- Peanut oil: Supply and disposition and oil equivalent of exports of peanuts for crushing, 1947-58 ^{1/}

Year begin- ning August	Supply				Disposition		Peanuts (oil equivalent of exports for crushing)
	Production	Imports	Stocks ^{2/} Aug. 1	Total	Exports	Domestic disap- pearance	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1947	139	<u>2/</u>	40	179	1	155	118
1948	141	<u>2/</u>	24	165	41	115	199
1949	184	---	7	191	61	107	48
1950	185	---	23	208	39	131	20
1951	130	---	38	168	42	108	1
1952	55	---	17	72	2	66	---
1953	83	2	5	90	9	62	68
1954	26	<u>2/</u>	19	72	1	54	2
1955	75	11	16	102	2	68	---
1956	76	---	32	108	24	73	24
1957	67	3	12	82	4	68	5
1958 ^{3/}	97	7	10	115	9	86	3
1959			21				

^{1/} Totals computed from unrounded data.^{2/} Less than 500,000 pounds.^{3/} Preliminary and partly estimated.Table 21.- Peanut oil: Utilization, year beginning August, 1947-58 ^{1/}

Year begin- ning August	Food uses				Non-food uses				Total domestic disap- pearance
	Shortening	Margarine	Other	Total	Soap	Foots and Loss	Other	Total	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1947	61	15	64	140	<u>2/</u>	10	4	15	155
1948	31	4	64	99	<u>2/</u>	8	8	16	115
1949	9	<u>2/</u>	83	92	---	7	8	15	107
1950	18	<u>2/</u>	99	117	---	7	7	14	131
1951	21	<u>2/</u>	75	96	---	5	6	12	108
1952	5	2	51	58	---	4	4	8	66
1953	4	2	49	55	<u>2/</u>	4	4	8	62
1954	6	2	40	48	<u>2/</u>	4	2	6	54
1955	6	2	52	60	<u>2/</u>	3	5	8	68
1956	6	4	56	66	---	4	3	7	73
1957	6	3	51	60	---	5	2	7	68
1958 ^{3/}	3	4	73	80	---	4	2	6	86

^{1/} Totals computed from unrounded data.^{2/} Less than 500,000 pounds.^{3/} Preliminary and partly estimated.

exports, and addition to stocks. As most of the surplus peanuts will be acquired by CCC under the support program, the quantity crushed and exported will mainly depend on the Corporation's diversion policy.

Coconut Oil Prices Move
Up Again; Stockpile
Oil Not Available Until
Late December

Coconut oil prices (crude, tanks, Pacific Coast) rose sharply from 11.2 cents per pound (excluding 3 cents processing tax) in the summer of 1957 to a peak of 20.8 cents in mid-May. Prices then dropped rapidly to 15.8 cents in August 1959, probably reflecting in part the apprehension in world trade circles that the U. S. stockpile of coconut oil would be larger than it actually was, and that it would be liquidated at a more rapid rate than planned. Another possible reason is that they were too high in relation to other competitive fats and oils. The basic tight world supply situation had changed but little and demand continued strong.

Coconut oil prices started to move up again in late August and by mid-September were 17.8 cents per pound, still about 3.0 cents above September 1958. This rise in coconut oil prices is attributed in part to the fact that the release of 265 million pounds of coconut oil now in the U. S. strategic stockpile will not commence until late December 1959 and mainly to a keener awareness by the trade of the acute shortage of copra and coconut oil supplies that are expected to continue through mid-1960. Coconut oil prices over the next few months probably will continue strong but likely will remain below the May 1959 peak of 20.8 cents per pound.

General Services Administration proposes to offer 10-14 million pounds of crude coconut oil for sale from the national stockpile on a competitive bid basis every 6 weeks beginning December 23, 1959. This 6-month waiting period from the date of notice in the Federal Register is required by the Strategic Critical Materials Stock Piling Act.

If sales from the stockpile should be at the maximum rate of 14 million pounds every 6 weeks, it would require a little better than 2 years to liquidate the 265 million pounds of oil. Domestic disappearance of coconut oil runs about 75 million pounds every 6 weeks; therefore, the quantity becoming available from the stockpile would represent only about a fifth of our total domestic requirements. However, as most of the stockpile coconut oil probably is 6 percent or over in free fatty acid content, it is quite likely that a large share will go into nonfood uses.

This modest disposition rate of U. S. stockpile oil will have very little effect on the domestic market, on world prices, or available supplies. (For a more complete review of the coconut oil situation, see FOS-197, August 1959, page 30.)

Coconut Oil Consumption
In 1959 Maintained
Despite High Prices

Domestic disappearance of coconut oil during January-July 1959 totaled 371 million pounds compared with 369 million the same months in 1958. Total usage for the 1959 calendar year probably will hold close to the 600 million pound annual average of recent years.

The relative stability in domestic consumption of coconut oil in recent years despite abnormally high prices reflects the inelasticity of demand for this commodity. There is a specialized demand in both the edible and inedible fields for coconut oil because of its inherent special qualities and the lack of domestically produced oil substitutes for high lauric acid oils. Coconut oil is used mainly in bakery and confectionery goods, soaps, fatty acids, glycerine and other products.

The recent temporary suspension of the 3-cent processing tax on palm kernel oil, effective July 1959-June 1960, restores its competitive position in the U. S. with coconut oil. (The 3-cent processing tax on coconut oil is suspended during October 1957-June 1960.) Imports of palm kernel oil in July 1959, the first month the 3-cent tax was off, totaled 6.6 million pounds compared with 4.0 million the month before and 3.1 million in July 1958.

The removal of the tax on palm kernel oil makes its price more attractive to consumers of high lauric acid oils and the July 1959 data on imports and disappearance suggest that some users may be switching from coconut oil to lower-priced palm kernel oil. The characteristics and properties of palm kernel oil resemble those of coconut oil; the oils are used more or less interchangeably.

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: The issue dates for the Fats and Oils Situation :
: :
: are January, March, May, August, September and :
: :
: November. The last issue for 1959 is scheduled :
: :
: for release November 17, (Outlook Number). :
: :
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CORN OIL PRODUCTION AND UTILIZATION

By
George W. Kromer

The production of corn oil from the germ of corn kernels has been practiced on a commercial scale for many years. From the time the degermination of corn became an integral operation in the starch, hominy and glucose industries, the disposition of the germ has been a decided factor in the economics of these practices. In the early days of the industry the general practice was to dispose of the germ material by adding it to feed products, but as the demand for vegetable oil increased, it was found profitable to extract the oil from the germ. Production of corn oil became one of the important phases of the corn-products industries.

Corn oil is produced as a byproduct of three of the corn-using industries. "Dry" millers make breakfast foods, corn meal, hominy, grits, flour, feed and oil; "wet" millers, or corn refiners, manufacture starch, syrup, sugar, feed, and oil; distillers make whiskey and industrial alcohol.

Production of corn oil has about doubled in the last 20 years, reflecting the growth in the wet-process grindings of corn, which usually accounts for about 95 percent of the total corn oil output. Consumption of corn oil has shown a similar trend; this year it likely will set a new record. Nearly all corn oil is refined and used as salad oil and cooking oil.

Wet Milling of Corn

Wet milling of corn refers to the manufacturing process which accomplishes the separation of the germ, hull, gluten and starch from the corn kernel by the use of water as a suspension medium. The main product, corn-starch, is a basic raw material for modified starches and refinery products such as syrup and sugar.

Clean shelled corn is soaked or steeped for about 40 hours in tanks of warm water to soften the kernels and loosen the hulls. From the steeping tanks, the soft corn kernels go through degerminating mills which free the oil bearing germs without crushing them. Washed into tanks called germ separators, the floating germs are skimmed off, washed, and dried. The dried germs then go to the screw presses or expellers, and there most of the oil is pressed out, leaving a residue of hard cake. The cake then goes through cracking rolls and is washed in a solvent to remove most of the remaining oil. This method of recovering the oil is referred to as the pre-press-solvent technique. Later the cake residue is ground and marketed as corn germ meal, or it may become a part of corn gluten feed or meal.

The corn germ separated by the wet-process contains much less of the other parts of the corn than that obtained by the dry-process, with the result that about half of it is oil. A bushel of corn degermed by the wet process yields around 1.8 pounds of oil on the average (table 23). In dry milling, less than half as much oil is extracted from the germ stock.

The volume of corn ground by wet millers has shown a gradual longrun uptrend, about doubling from 77 million bushels in calendar year 1939 to a record 150 million bushels estimated for 1959 (see cover chart). The rate of grind has been influenced by the increased demand for corn products during World War II and the Korean conflict along with the development of new and improved uses of corn products in recent years.

Growth in Corn Refining Industry Boosts Oil Output

The growth in wet-process grindings of corn has naturally resulted in increased output of corn oil. Based on shipments of corn oil by the wet-process industry, corn refiners in recent years have accounted for about 95 percent of the total corn oil output. Data are not available on the quantity of corn oil produced by dry millers and distillers but the volume apparently is relatively small. Total production of corn oil has about doubled in the last 20 years, rising from 151 million pounds in calendar year 1939 to a record 300 million pounds estimated for 1959 (table 23). Production of corn oil may be expected to expand or contract in direct correspondence with general activity in the corn refining industries. At the present time there are 11 companies in the wet-milling industry.

Most of the crude corn oil is refined to produce a food oil. Refined corn oil closely resembles cottonseed and soybean oils. Techniques used for refining, blending and deodorizing are in general similar to those employed for other vegetable oils. However, a cooking and filtering step is necessary in the processing to free the oil of natural waxes, which if allowed to remain, would separate gradually and make the oil cloudy. In refining corn oil, the crude oil is treated with alkali to neutralize the fatty acids and also improve the color. The refining process separates corn oil "foots;" these are used by the soap industry.

Refined corn oil, pale yellow in color and crystal-clear, has special qualities that make it excellent as a cooking and salad oil. It is used either directly as such or as a base for mayonnaise, salad dressings, and other products containing oil. The low cloud point and melting point of corn oil and its good keeping quality favor its use for these purposes. Other food uses for corn oil include deep-fat frying of doughnuts, potatoes, and in the production of potato chips, bakery products, and so on.

Nonfood uses of corn oil include the manufacture of soap, insecticides and the products of the leather and textile industries.

Table 22.--Corn germs: Supply, disposition, and production of oil and meal, 1947-58

Year beginning October	Supply			Disposition		Production of		
	Apparent production: 1/ :	Stocks at crushing mills October 1 :	Total :	Crushings :	Oil		Meal	
					Total :	Per ton crushed :	Total :	Per ton crushed :
1,000 tons	1,000 tons	1,000 tons	1,000 tons	Million pounds	Pounds	1,000 tons	Pounds	
1947	270	.7	271	270	204	756	---	---
1948	299	.5	300	299	225	753	113	1,018
1949	318	.9	319	318	242	761	168	1,057
1950	325	1.2	326	325	243	748	176	1,083
1951	303	1.7	305	302	223	738	164	1,086
1952	321	1.1	322	321	258	804	166	1,034
1953	319	.9	320	319	252	790	164	1,028
1954	327	1.1	328	327	268	820	158	966
1955	322	.9	323	322	270	839	149	925
1956	324	.9	325	324	275	849	146	901
1957 2/	340	1.9	342	339	276	814	156	920
1958 3/	400	1.9	402	400	290	725	175	876

1/ Estimated from crushings and change in stocks. 2/ Preliminary 3/ Partly estimated.

Totals computed from unrounded numbers.

Table 23.--Corn oil: Wet-process grindings of corn, oil production, and prices, 1939-58

Calendar year	Corn		Corn oil production				Corn oil prices	
	Wet- process grindings 1/ :	Total :	Wet-process 2/			Yield per bushel of corn ground :	Crude, tank cars f.o.b. midwest mills :	Refined, drums, N. Y. :
			Total	Percent of total output :	Total			
	Million bushels	Million pounds	Million pounds	Percent	Pounds		Cents	Cents
1939	77	151	135	89	1.8		5.9	8.6
1940	82	158	158	100	1.9		5.7	8.2
1941	110	203	167	82	1.5		10.0	13.0
1942	130	248	241	97	1.9		12.7	16.1
1943	128	239	222	93	1.7		12.8	16.2
1944	120	211	187	89	1.6		12.8	16.4
1945	119	205	174	85	1.5		12.8	16.6
1946	121	198	167	84	1.4		15.6	20.1
1947	139	247	222	90	1.6		25.7	32.4
1948	110	203	178	88	1.6		25.7	33.4
1949	116	224	209	93	1.8		12.2	18.1
1950	131	248	235	95	1.8		16.0	21.4
1951	129	232	221	95	1.7		19.0	25.0
1952	126	232	216	93	1.7		13.3	18.8
1953	130	259	242	93	1.9		14.1	20.0
1954	131	255	230	90	1.8		14.0	20.9
1955	138	268	244	91	1.8		13.0	20.2
1956	141	272	252	93	1.8		14.1	20.8
1957	139	273	271	99	1.9		13.8	20.1
1958 3/	144	279	266	95	1.8		13.4	4/16.7
1959 5/	150	300	285	95	1.9		11.7	15.5

1/ Used in the production of starch, syrups, sugar, feed and oil from corn grain. 2/ Based on oil sold by wet-process industry. 3/ Preliminary. 4/ Beginning April 1958 reported as tanks. 5/ Partly estimated.

Table 24.--Corn Oil: Supply and disposition, 1947-58

Year begin- ning October	Supply				Disposition	
	Production	Imports	Stocks October 1	Total	Exports and shipments ^{1/}	Domestic disappearance
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1947	204	---	13	217	<u>2/</u>	207
1948	225	---	10	235	<u>2</u>	222
1949	242	<u>2/</u>	11	253	2	233
1950	243	<u>2/</u>	18	261	3	247
1951	223	<u>2/</u>	12	235	<u>2/</u>	222
1952	258	<u>2/</u>	12	270	---	254
1953	252	---	16	268	---	253
1954	268	1	15	284	---	265
1955	270	---	19	289	---	267
1956	275	---	23	298	---	282
1957 ^{3/}	276	6	16	298	---	273
1958 ^{4/}	290	10	25	325	---	295

^{1/} Includes exports under voluntary relief programs in 1948-49.^{2/} Less than 500,000 pounds.^{3/} Preliminary.^{4/} Partly estimated.

Totals computed from unrounded numbers.

Table 25.--Corn Oil: Utilization, year beginning October, 1947-58

Year begin- ning October	Food uses				Non-food uses				Total domestic disap- pearance
	Shortening	Margarine	Other	Total	Soap	Foots and loss	Other	Total	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	
1947	3	3	178	183	<u>1/</u>	17	7	24	207
1948	1	1	201	203	<u>1/</u>	17	2	19	222
1949	<u>1/</u>	<u>1/</u>	215	215	<u>1/</u>	16	2	18	233
1950	<u>1/</u>	<u>1/</u>	224	224	<u>1/</u>	20	3	23	247
1951	1	<u>1/</u>	197	198	<u>1/</u>	22	2	24	222
1952	1	1	229	231	<u>1/</u>	21	3	24	254
1953	1	<u>1/</u>	229	231	<u>1/</u>	20	2	22	253
1954	3	<u>1/</u>	231	234	<u>1/</u>	30	2	31	265
1955	2	1	243	246	0	19	1	20	267
1956	2	<u>1/</u>	259	262	0	19	1	20	282
1957 ^{2/}	4	1	245	250	0	22	1	23	273
1958 ^{3/}	9	6	260	275	0	20	<u>1/</u>	20	295

^{1/} Less than 500,000 pounds.^{2/} Preliminary.^{3/} Partly estimated.

Totals computed from unrounded numbers.

Table 26.-Corn oil: Supply, disposition and price, by month, 1946-58

Production													
Year begin- ning October:	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Year
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1946	19	20	21	22	21	22	22	22	21	20	20	20	250
1947	21	19	17	18	16	15	15	16	17	16	16	17	204
1948	20	21	19	18	18	19	18	17	18	17	20	20	225
1949	21	19	19	17	18	20	20	21	21	21	23	23	242
1950	23	22	20	23	21	22	20	20	20	17	18	16	243
1951	19	19	16	19	17	18	17	19	19	17	19	20	223
1952	23	21	20	21	20	24	22	23	22	19	22	21	258
1953	24	20	20	20	20	22	22	21	21	20	21	21	252
1954	23	22	22	21	21	24	21	23	24	21	24	23	268
1955	23	22	22	22	23	23	21	24	22	22	25	22	270
1956	25	24	21	23	21	23	22	24	23	23	24	23	275
1957 1/	25	22	21	22	21	24	23	24	24	23	24	23	276
1958 1/	26	22	23	22	23	26	25	25	27	24			
Stocks, first of month													
1946	22	18	19	18	20	21	20	27	22	17	13	13	
1947	13	13	13	11	13	16	16	13	13	13	10	10	
1948	10	14	15	19	15	15	16	12	10	10	11	10	
1949	11	16	17	14	11	10	11	14	15	16	16	16	
1950	18	20	21	18	20	19	20	23	23	21	18	14	
1951	12	11	13	14	15	14	14	15	15	14	16	12	
1952	12	15	18	20	22	21	20	20	20	19	15	15	
1953	16	17	17	19	20	19	18	21	20	19	19	17	
1954	15	15	17	19	18	20	21	18	18	18	18	20	
1955	19	22	22	24	23	25	22	22	23	22	25	24	
1956	23	21	23	22	18	20	21	21	21	22	21	19	
1957 1/	16	16	18	17	13	16	21	21	19	16	16	20	
1958 1/	25	27	30	35	31	29	28	31	31	31	30		
Domestic disappearance 2/													
1946	23	19	22	20	20	23	15	27	26	24	20	20	259
1947	21	19	19	16	14	15	18	16	18	18	16	17	207
1948	17	19	15	23	18	18	21	19	17	15	21	19	222
1949	16	18	21	20	19	20	16	20	19	21	24	20	233
1950	21	21	23	21	22	22	16	19	22	19	22	18	247
1951	19	18	15	18	19	18	18	19	20	16	22	20	222
1952	19	17	19	19	21	25	22	23	23	23	21	21	254
1953	22	21	18	19	20	23	19	22	21	20	24	23	253
1954	23	20	20	22	19	23	24	23	24	22	22	23	265
1955	21	22	20	22	21	26	21	23	23	19	26	23	267
1956	26	22	21	27	20	23	21	24	23	24	27	26	282
1957 1/	25	19	22	26	19	19	23	27	28	24	22	19	273
1958 1/	24	20	20	24	25	27	22	27	27	26			
Price per pound, crude, tank cars, f.o.b. Midwest mills													
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1946	18.9	26.2	27.1	27.5	30.6	36.4	29.8	21.3	21.0	22.2	20.0	20.5	25.1
1947	22.6	26.9	30.1	30.5	22.6	23.2	28.1	33.5	34.1	26.6	24.6	23.0	27.2
1948	22.1	22.1	17.8	15.9	13.7	11.6	11.4	12.0	10.7	11.4	14.5	13.2	14.7
1949	11.5	10.0	10.7	11.9	13.1	13.8	14.0	14.7	14.6	15.1	17.6	17.8	13.7
1950	17.2	20.6	22.0	25.3	24.7	24.5	24.4	22.3	16.4	14.0	15.8	15.8	20.2
1951	15.3	15.4	14.2	13.2	13.1	13.1	11.5	12.2	13.2	12.6	13.5	14.3	13.5
1952	14.5	14.1	14.4	13.7	13.7	14.8	14.9	14.4	14.1	13.7	14.1	14.0	14.2
1953	14.1	14.4	13.8	13.2	13.4	13.7	14.7	14.6	14.9	14.7	14.6	13.8	14.2
1954	13.4	13.5	13.2	13.3	13.4	13.1	13.5	14.1	14.9	13.8	12.6	11.6	13.4
1955	12.1	11.8	11.9	12.9	14.4	15.4	15.6	15.9	14.6	13.3	12.3	12.1	13.5
1956	13.7	14.3	14.5	14.9	14.5	14.0	13.5	13.1	12.8	13.8	13.0	12.8	13.7
1957	13.2	14.6	15.3	15.4	15.3	14.0	14.2	13.8	12.4	13.4	12.7	12.1	13.9
1958 1/	12.4	12.5	12.0	11.6	11.3	11.3	11.8	13.3	12.8	12.0	11.3		

1/ Preliminary 2/ Excludes exports, which in no year exceed 3 million pounds

Totals computed from unrounded numbers

Consumption of Corn Oil Increasing

Domestic disappearance of corn oil has also displayed a fairly gradual increase, rising from around 150 million pounds 20 years ago to an estimated 300 million pounds this year, the largest volume on record. Domestic production of corn oil is usually sufficient to supply the requirements of the domestic market, but small quantities are imported some years.

During the last 5 years, 91 percent of our corn oil was utilized in food products and the remaining 9 percent went into nonfood uses, primarily as foots, which are used in the manufacture of soap. This consumption pattern is likely to continue, as the special inherent qualities of corn oil are highly desirable in cooking and salad oil. Most refined corn oil is marketed as packaged goods for the retail trade.

Shortage and high prices of imported olive oil in some years probably served to stimulate use of other edible oils for salad oil purposes; consumption of corn oil probably increased to meet this demand.

During the past year, increasing quantities of corn oil have been used in the production of margarine. While the total quantity is relatively small, the rate of growth has been large. Paralleling this development has been an increasing importation of corn oil from Europe.

A steadily growing demand for corn oil in the trade will probably continue. The oil can always be produced because it is a byproduct of the manufacture of certain staple corn products, and the demand for these products has increased in recent years.

Corn Oil and Cottonseed Oil Prices Closely Related

Corn oil prices (crude, Midwest mills) have been relatively stable since calendar year 1951, the average annual price varying between 13.0 and 14.0 cents per pound. Prices of corn oil weakened in 1959, averaging 12 cents per pound during January-August 1959 compared with 14.0 cents the first 8 months last year. Lower prices this year are attributed to the decline in prices of other competitive salad and cooking oils and some buildup in corn oil stocks.

As indicated earlier, corn oil is utilized almost exclusively as a salad and cooking oil and in the manufacture of miscellaneous food products. Cottonseed oil predominates in these fields and the price of corn oil varies in close conformity with changes in prices of cottonseed oil and other competing food oils.

As table 27 shows, prices of crude corn oil in recent years ran just a shade above prices of crude cottonseed oil--corn oil averaged only 2 percent higher during 1946-59. Since World War II, price changes in these two oils not only have moved together in the same direction each year, but the rate of change for both commodities from the preceding year also was nearly identical.

Table 27.--Comparison of cottonseed, corn and peanut oil prices per pound, 1946-59

Year	Cottonseed oil		Corn oil price			Peanut oil price		
	price (crude, Southeast mills)		(crude, Midwest mills)			(crude, Southeast mills)		
	Average	Change from preceding year	Average	Change from preceding year	Price as percent of cottonseed oil	Average	Change from preceding year	Price as percent of cottonseed oil
	Cents	Cents	Cents	Cents	Percent	Cents	Cents	Percent
1946	15.8	3.0	15.6	2.8	99	15.9	2.9	101
1947	25.9	10.1	25.7	10.1	99	26.3	10.4	102
1948	25.3	-.6	25.7	.0	102	25.8	-.5	102
1949	11.6	-13.7	12.2	-13.5	105	13.8	-12.0	119
1950	15.8	4.2	16.0	3.8	101	17.3	3.5	109
1951	18.4	2.6	19.0	3.0	103	20.2	2.9	110
1952	12.8	-5.6	13.3	-5.7	104	17.0	-3.2	133
1953	14.1	1.3	14.1	.8	100	21.1	4.1	150
1954	13.5	-.6	14.0	-.1	104	18.2	-2.9	135
1955	12.7	-.8	13.0	-1.0	102	17.6	-.6	139
1956	13.7	1.0	14.1	1.1	103	15.9	-1.7	116
1957	13.5	-.2	13.8	-.3	102	15.1	-.8	112
1958	12.7	-.8	13.4	-.4	105	16.3	1.2	128
1959 1/	11.8	-.9	11.9	-1.5	101	12.7	-3.6	108
Average::								
1946-59:	15.5	3.2	15.8	3.2	102	18.1	3.6	117
1952-58:	13.3	1.5	13.7	1.3	103	17.3	2.1	130

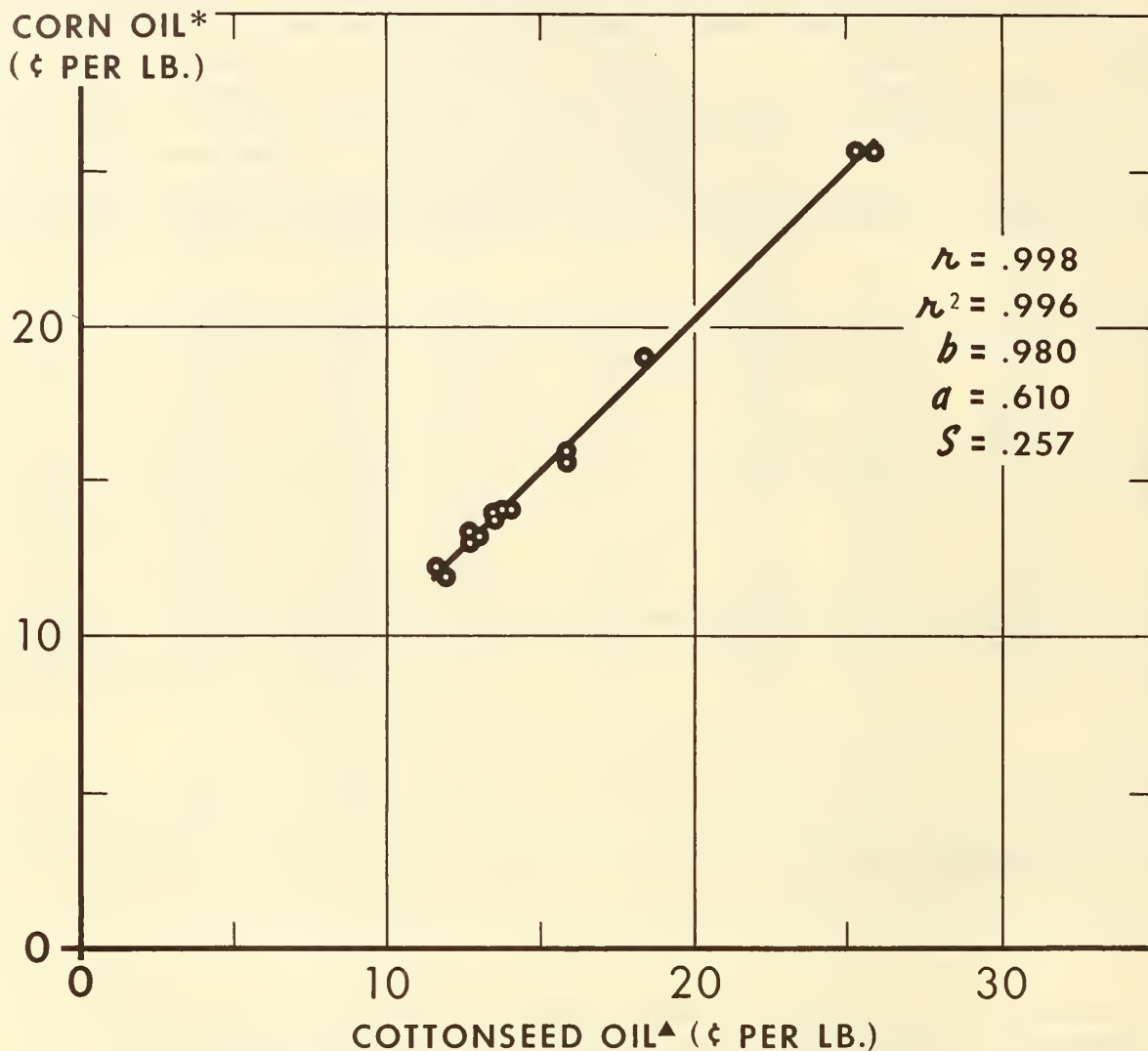
1/ January-August average.

Prices of peanut oil also tend to vary with cottonseed oil prices, but the movement is not as close as the prices of corn and cottonseed oils. CCC crushings of peanuts is apparently more important as a price factor in some years than the competitive position of other salad oils.

Statistical analyses of the prices of corn and cottonseed oils during the postwar era show nearly a perfect price relationship between the two -- a correlation coefficient of .998 (see chart). Cottonseed oil prices in this period explained virtually all of the variation in corn oil prices. Because of the small standard error of estimate -- 0.257 -- corn oil prices may be estimated reasonably accurately from cottonseed oil prices within the limits of the analyses.

CORN OIL AND COTTONSEED OIL PRICES

Relationship Since World War II



* CRUDE, TANK CARS, MIDWEST MILLS

▲ CRUDE, TANK CARS, SOUTHEAST MILLS

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Statistical analyses of the prices of corn and cottonseed oils show nearly a perfect price relationship between the two--a correlation coefficient of .998. Cottonseed oil prices explained virtually all of the variation in corn oil prices. Because of the small standard error of estimate of 0.257, corn oil prices may be estimated reasonably accurately from cottonseed oil prices within the limits of the analyses.

Of the 271 million pounds of corn oil utilized in 1958, 245 million were used in the "other" food use category--mainly cooking and salad oils--compared with the 164 million pounds in calendar year 1946. The rise of nearly 50 percent was fairly steady. In the case of cottonseed oil, the "other" food use category--also mainly cooking and salad oils--increased from 350 million pounds in 1946 to 678 million in 1958. While the consumption of cotton oil in this category about doubled during that period, annual usage varied considerably in contrast to the gradual rise of corn oil.

These analyses indicate that corn oil prices are determined primarily by the price of the more abundant cottonseed oil than by other economic factors such as the cost of producing corn oil. This situation reflects the highly competitive nature of the consumer market for cooking and salad oil.

Economics of Corn Oil Production

Determining the actual cost of producing corn oil is difficult because, in the general processes of making starch and hominy, removal of the germ is necessary in order to obtain the best products. This cost might, therefore, be charged entirely to those products in the manufacture of which it is a necessary process. The cost of the oil production could then be figured only on the operations involved after the germs are separated. In the wet-process the germs must be washed several times in order to save the adhering particles of starch, and the cost charges for the oil could therefore begin with the removal of the moisture. The separable cost therefore of producing corn oil in the corn refining industry is limited to the cost of removing excess water, oil extraction, and preparing it for market.

* * * * *

Readers of this Situation report may be interested in the following recent marketing research publications:

Marketing Research Report No. 356 entitled "Effects of Coupons and Special Offers on Sales of Butter, Margarine, Shortening, Salad and Cooking Oils," August 1959.

Marketing Research Report No. 350 entitled "Flaxseed Storage at Country Elevators in Minnesota, North Dakota, and South Dakota," July 1959.

Single copies may be ordered from the Office of Information, U. S. Department of Agriculture, Washington 25, D. C. Additional copies may be purchased from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. at 15 cents per copy for Report No. 356 and at 35 cents per copy for Report No. 350.

Table 28.- Food fats and oils: Supply and disposition, 1954-58

Year begin- ning October	Total 1/										
	Production			Stocks		Domestic disappearance			Exports		
	Oct.- July	Aug.- Sept.	Oct.- Sept.	Oct. 1:	Aug. 1:	Oct.- July	Aug.- Sept.	Oct.- Sept.	Oct.- July	Aug.- Sept.	Oct.- Sept.
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1954	8,091	1,399	9,490	1,607	1,113	6,488	1,285	7,772	2,099	266	2,365
1955	9,144	1,406	10,550	960	967	6,540	1,236	7,776	2,598	377	2,975
1956	9,105	1,473	10,578	760	853	6,426	1,321	7,746	2,591	312	2,903
1957	9,031	1,499	10,530	694	830	6,678	1,356	8,034	2,218	375	2,593
1958	10,044			686	1,045	6,895			2,740		
Butter (actual weight), except farm											
1954	1,172	194	1,366	489	352	1,133	238	1,371	176	13	190
1955	1,216	202	1,418	295	134	1,153	230	1,383	224	16	240
1956	1,205	197	1,403	90	176	1,105	225	1,330	15	3	18
1957	1,214	185	1,399	145	190	1,140	223	1,363	29	7	36
1958	1,151			146	148	1,141			8		
Lard, except farm											
1954	2,007	356	2,363	50	118	1,429	323	1,751	511	76	587
1955	2,283	349	2,632	75	178	1,549	316	1,864	631	88	719
1956	2,094	332	2,426	123	102	1,589	303	1,891	527	63	590
1957	1,906	340	2,246	69	55	1,523	288	1,810	397	62	459
1958	2,122			48	136	1,536			498		
Beef fats 2/											
1954	231	50	280	10	18	196	46	242	27	6	33
1955	266	46	312	15	19	223	51	274	40	4	44
1956	269	52	321	10	20	250	53	303	13	2	14
1957	265	59	324	17	23	249	59	308	12	2	14
1958	287			25	28	271			13		
Total edible vegetable oils 3 4/											
1954	4,681	800	5,481	1,059	625	3,852	680	4,532	1,263	169	1,432
1955	5,380	808	6,188	575	636	3,652	654	4,306	1,667	253	1,920
1956	5,537	892	6,429	536	556	3,528	755	4,283	1,989	231	2,220
1957	5,646	915	6,561	463	562	3,838	801	4,639	1,709	289	1,998
1958	6,484			467	733	4,048			2,119		

Continued -

Table 28.--Food fats and oils: Supply and disposition, 1954-58

Year beginning October	Production			Stocks		Domestic disappearance			Exports		
	Oct.- July	Aug.- Sept.	Oct.- Sept.	Oct. 1:	Aug. 1	Oct.- July	Aug.- Sept.	Oct.- Sept.	Oct.- July	Aug.- Sept.	Oct.- Sept.
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Cottonseed oil ^{4/}											
1954	1,493	230	1,723	896	398	1,351	192	1,543	640	75	716
1955	1,670	224	1,893	361	284	1,183	201	1,384	563	53	617
1956	1,465	164	1,629	254	202	1,133	177	1,310	384	43	427
1957	1,274	144	1,418	146	168	1,007	185	1,193	245	5	250
1958	1,375			154	214	977			338		
Soybean oil ^{4/}											
1954	2,869	508	3,377	127	186	2,188	421	2,609	622	94	716
1955	3,363	521	3,884	179	288	2,153	386	2,539	1,102	196	1,297
1956	3,712	657	4,369	227	317	2,061	504	2,565	1,561	183	1,745
1957	4,038	700	4,738	286	364	2,501	550	3,051	1,459	284	1,743
1958	4,713			281	468	2,758			1,768		
Corn oil											
1954	223	47	270	15	18	220	45	265	---	---	---
1955	223	47	270	19	25	218	49	267	---	---	---
1956	228	47	275	23	21	230	52	282	---	---	---
1957	233	49	282	16	16	232	41	273	---	---	---
1958	251			21	30	243			---		
Peanut oil ^{4/}											
1954	45	5	50	13	16	41	11	52	1	^{5/} 4	1
1955	81	11	92	10	32	57	12	68	2	^{5/} 4	6
1956	89	18	107	27	12	61	13	74	44	4	48
1957	58	11	68	12	10	54	14	68	5	^{5/} 4	5
1958	97			8	21	72			12		

^{1/} Includes butter, except farm; lard, except farm; beef fats; and edible vegetable oils. Production and exports include the oil equivalent of exported oilseeds. Domestic disappearance and exports have been adjusted for exports of processed food oils not classified by kind, shortening, margarine, and other secondary fats. Exports also include shipments and quantities from CCC stocks that were not reported in Census data.

^{2/} Includes edible tallow, oleo stock, oleo oil and oleostearine.

^{3/} Includes cottonseed, soybean, corn, peanut, and edible olive oils. Production includes imports of olive oil.

^{4/} Production and exports include oil equivalent of oilseeds exported for crushing.

^{5/} Less than 500,000 pounds.

Totals computed from unrounded numbers.

Table 29.--Selected nonfood fats and oils: Supply and disposition, 1954-58

Year	Production			Stocks		Domestic disappearance			Exports		
	Oct.- July	Aug.- Sept.	Oct.- Sept.	Oct. 1:	Aug. 1:	Oct.- July	Aug.- Sept.	Oct.- Sept.	Oct.- July	Aug.- Sept.	Oct.- Sept.
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
<u>Inedible tallow and grease</u>											
1954	2,368	507	2,875	268	259	1,342	278	1,620	1,038	228	1,265
1955	2,710	505	3,215	260	339	1,389	288	1,677	1,244	249	1,494
1956	2,621	494	3,115	306	262	1,445	312	1,758	1,222	205	1,427
1957	2,303	445	2,749	239	252	1,361	290	1,652	929	178	1,107
1958	2,600			239	333	1,446			1,061		
<u>Coconut oil 1/</u>											
1954	483	99	582	59	97	436	100	536	8	1	10
1955	492	105	596	96	75	505	102	607	8	2	9
1956	502	99	601	75	50	521	90	611	7	2	9
1957	541	115	656	57	60	530	113	644	8	1	9
1958	511			61	49	517			6		
<u>Fish and marine oil 1/</u>											
1954	173	66	239	62	60	90	---	81	85	42	127
1955	175	69	244	93	84	66	2	68	117	39	156
1956	150	59	209	113	82	88	19	107	93	43	136
1957	162	68	230	80	104	88	50	137	50	11	61
1958	172			115	126	35			125		
<u>Tall oil</u>											
1954	428	96	524	59	62	376	91	467	50	8	58
1955	569	103	672	59	100	494	101	595	34	5	39
1956	527	96	623	96	113	467	97	564	44	6	50
1957	504	103	608	106	119	457	108	565	34	4	39
1958	622			109	147	562			23		
<u>Linseed oil</u>											
1954	50	582	632	345	258	44	477	521	93	224	318
1955	41	654	695	139	91	67	485	552	22	117	140
1956	19	513	532	142	124	36	461	497	2	76	78
1957	61	473	535	99	98	47	387	435	16	72	87
1958	19	429	448	112	88	43	412	454	2/	8	8
1959	39			97	93	43			2/		

1/ Production includes imports of oil.

2/ Less than 500,000 pounds.

Totals computed from unrounded numbers.

Table 30.--Fats, oils, including their products: Production from domestic and imported materials, and factory and warehouse stocks at end of month

Item	Production 1/						Stocks			
	October-July		1958	1959			1958	1959*		
	1957-58:	1958-59:	July	May	June	July	July 31	May 31	June 30	July 31
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
PRIMARY FATS AND OILS										
<u>Food fats and oils</u>										
Butter 2/	1,213.8	1,151.2	126.9	142.7	135.8	112.2	190.4	104.1	138.2	148.1
Lard and rendered pork fat 3/..	1,906.0	2,122.0	167.0	201.0	198.0	206.0	55.1	158.2	147.8	135.6
Beef fats	265.3	287.2	26.4	30.2	26.1	27.3	22.7	30.3	28.5	28.2
Total edible animal fats ..	3,385.1	3,560.4	320.3	373.9	359.9	345.5	268.2	292.6	314.5	311.9
Corn oil	228.3	242.8	22.9	25.4	26.9	24.4	16.3	30.5	30.8	29.6
Cottonseed oil	1,271.9	1,373.7	45.1	65.4	41.5	35.0	167.7	344.3	273.5	214.2
Peanut oil	52.0	90.1	3.4	10.8	9.5	8.7	10.3	20.2	21.0	21.4
Soybean oil	3,188.8	3,635.7	327.9	385.5	355.2	344.1	363.6	512.6	472.9	468.0
Total edible vegetable oils:	4,741.0	5,342.3	399.3	487.1	433.1	412.2	557.9	907.6	798.2	733.2
<u>Soap fats and oils</u>										
Tallow, inedible, and greases : excluding wool grease 4/	2,303.2	2,599.7	214.7	266.1	271.4	258.8	252.4	310.8	316.6	332.5
Palm oil	---	---	---	---	---	---	11.5	8.7	9.2	12.3
Fish oil	113.7	127.2	29.4	20.1	37.3	32.0	70.1	62.6	75.3	80.1
Marine mammal oil	4.3	1.5	.4	---	.2	.6	34.0	54.6	50.6	45.9
Coconut oil	364.0	341.5	33.9	36.5	41.4	34.0	60.0	44.8	39.9	49.0
Total soap fats	2,785.2	3,069.9	278.4	322.7	350.3	325.4	428.0	481.5	491.6	519.8
<u>Drying oils</u>										
Castor oil	13.9	---	1.4	---	---	---	29.1	22.2	20.7	27.0
Linseed oil	365.1	379.7	19.1	33.5	26.8	39.3	88.4	121.9	97.4	92.9
Tall oil	504.4	622.5	46.7	71.3	66.0	57.6	118.9	143.0	149.7	146.8
Tung oil	25.2	45.0	---	2.9	---	---	42.4	59.5	55.3	48.7
Total drying oils	908.6	1,047.2	67.2	107.7	92.8	96.9	278.8	346.6	323.1	315.4
Grand total 5/ 6/	11,820.1	13,019.9	1,065.0	1,291.5	1,236.2	1,180.0	1,532.9	2,028.3	1,927.4	1,880.3
From domestic materials	11,442.1	12,678.4	1,029.8	1,255.0	1,194.8	1,146.0				
From imported materials	378.0	341.5	35.2	36.5	41.4	34.0				
<u>FAT-AND-OIL PRODUCTS</u>										
Cooking and salad oils	---	1,099.9	---	164.3	186.0	155.2	---	58.5	51.6	48.7
Baking and frying fats (shortening)	1,610.8	1,833.4	151.6	185.9	183.5	147.2	122.9	140.7	142.5	116.7
Margarine	1,298.8	1,329.7	120.9	115.7	122.7	115.7	32.4	36.3	33.5	33.9
Fatty acids	234.4	514.9	23.9	58.1	57.9	43.0	58.2	71.7	71.2	66.2

1/ Factory production except as otherwise noted.

2/ Creamery butter and cold-storage stocks, United States Department of Agriculture.

3/ Total commercial. Excludes farm production. Federally inspected in October-July 1957-58 totaled 1,674.4 million pounds; October-July 1958-59 totaled 1,878.0 million pounds.

4/ Total apparent production.

5/ Computed from unrounded numbers.

6/ Excludes estimated output of farm butter and farm lard, 285 million pounds in October-July 1957-58; 275 million pounds in October-July 1958-59. Data include stocks held by the Government in reported position.

7/ January-July 1959 only.

* 1959 stocks of some primary fats and oils not comparable with earlier years because of changes in Census reporting procedures.

Table 31--Imports and exports of fats, oils, oil-bearing materials
and fat-and-oil products in terms of oil

Item	Imports for consumption					Exports ^{1/}				
	October-July		1959			October-July		1959		
	1957-58:1958-59:		May	June	July	1957-58:1958-59:		May	June	July
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Food fats and oils										
Butter	.6	.6	.1	<u>2/</u>	.1	25.8	5.1	.5	.8	.9
Lard	---	---	---	---	---	342.2	438.6	45.2	46.8	59.0
Beef fats	1.2	.4	---	---	---	12.3	13.2	1.8	1.7	2.4
Total, edible animal fats	1.8	1.0	.1	<u>2/</u>	.1	380.3	457.1	47.5	49.3	62.2
Cottonseed oil	---	---	---	---	---	242.6	336.5	52.9	25.4	66.4
Cottonseed (17 percent)	---	---	---	---	---	2.0	1.5	.1	.1	.2
Olive oil, edible	42.9	46.5	5.1	5.6	4.5	---	---	---	---	---
Peanut oil	3.5	4.0	---	---	---	3.0	8.4	3.0	.4	1.9
Peanuts, shelled (43 percent)	---	---	---	---	---	2.1	3.2	2.4	.3	.5
Soybean oil	---	---	---	---	---	609.8	692.3	111.6	53.3	155.4
Soybeans (18.3 percent)	<u>2/</u>	<u>2/</u>	<u>2/</u>	<u>2/</u>	---	849.3	1,077.5	101.2	97.5	108.2
Other vegetable oils	10.8	15.5	1.4	1.4	1.4	4.8	4.3	.4	.4	.6
Total, edible vegetable oils	57.2	66.0	6.5	7.0	5.9	1,713.6	2,123.7	271.6	177.4	333.2
Soap fats and oils										
Tallow, inedible	.1	1.1	---	---	.1	874.5	970.0	95.9	103.6	114.8
Greases	.3	.3	---	---	---	54.5	91.1	10.9	11.5	9.0
Fish and fish liver oils non-medicinal...	2.4	.8	.1	---	.2	49.0	122.7	10.9	11.4	28.3
Marine mammal oils	43.7	42.3	3.9	1.5	7.3	.8	2.3	<u>2/</u>	.2	.3
Foots and soap stock, incl. olive oil ^{3/} ..	.4	.3	<u>2/</u>	<u>2/</u>	<u>2/</u>	---	---	---	---	---
Palm oil	26.2	27.1	2.8	3.6	3.3	---	---	---	---	---
Total, slow-lathering oils	73.1	71.9	6.8	5.1	10.9	978.8	1,186.1	117.7	126.7	152.4
Coconut oil	177.4	169.9	21.3	15.1	17.8	7.6	6.1	.8	.8	.5
Copra (63 percent)	356.0	325.8	41.7	32.8	35.1	<u>2/</u>	<u>2/</u>	---	---	<u>2/</u>
Palm kernel oil	48.7	51.1	7.3	4.0	6.6	---	---	---	---	---
Total, lauric-acid oils	582.1	546.8	70.3	51.9	59.5	7.6	6.1	.8	.8	.5
Drying oils										
Flaxseed (35.7 percent)	.1	<u>2/</u>	---	---	<u>2/</u>	35.0	103.1	4.9	16.9	47.0
Linseed oil	<u>2/</u>	<u>2/</u>	---	---	---	28.6	8.0	4.9	.2	.3
Oiticica oil	5.8	4.5	1.1	---	---	---	---	---	---	---
Tall oil	---	---	---	---	---	34.4	22.9	2.3	.7	2.3
Tung oil	25.9	22.0	1.1	4.7	1.3	.4	14.5	3.8	1.0	2.5
Total	31.8	26.5	2.2	4.7	1.3	98.4	148.5	15.9	18.8	52.1
Other industrial oils and fats										
Cashew nut shell liquid (oil)	6.6	3.3	.3	.1	.3	---	---	---	---	---
Castor oil	84.0	85.6	9.3	8.5	13.5	1.8	2.3	<u>2/</u>	.2	.3
Castor beans (45 percent)	13.4	9.2	.8	1.2	---	---	---	---	---	---
Fish-liver oils, medicinal	13.6	14.8	1.8	1.5	1.0	.6	.6	.1	.1	.1
Rapeseed oil	3.0	1.1	.1	.6	---	---	---	---	---	---
Wool grease	5.7	4.7	.5	.5	.5	---	---	---	---	---
Other vegetable oils and fats, inedible ..	<u>2/</u>	.1	<u>2/</u>	---	<u>2/</u>	10.0	14.2	.3	.8	.8
Total	126.3	118.8	12.8	12.4	15.3	12.4	17.1	.4	1.1	1.2
Other products (fat content)										
Margarine	1.0	1.2	---	---	---	2.9	2.6	.2	.3	.3
Shortening	---	---	---	---	---	21.7	34.1	1.9	4.8	1.4
Cooking and salad oils	---	---	---	---	---	23.9	40.5	3.7	1.8	1.7
Salad products	---	---	---	---	---	2.8	3.4	.5	.4	.5
Soap	.8	.9	.1	.1	.1	11.6	12.3	1.0	.9	1.0
Fatty acids	1.2	.7	.2	.1	.1	39.4	22.3	3.0	2.2	1.8
Total	3.0	2.8	.3	.2	.2	102.3	115.2	10.3	10.4	6.7
Grand total	875.2	833.5	98.9	81.3	93.4	3,293.4	4,053.9	464.0	384.5	608.1

^{1/} Includes re-exports but not shipments. Shipments average about 90 million pounds per year of which approximately 60 million are lard.

^{2/} Less than 50,000 pounds.

^{3/} Exports of foots and soap stock included in fatty acids, beginning January 1958.

^{4/} Computed from unrounded numbers.

Table 32.- Index numbers of wholesale prices of fats and oils

Item	1947-49=100					
	August			1959		
	1957	1958	June	July	August	
All fats and oils	73	71	66	65	65	
All fats and oils, except butter	64	62	55	53	51	
Grouped by origin:						
Animal fats	78	76	68	67	67	
Vegetable oils, domestic	60	55	55	54	53	
Vegetable oils, foreign	78	80	96	87	85	
Grouped by use:						
Butter	88	85	85	85	87	
Butter, seasonally adjusted	92	89	92	90	91	
Lard	68	71	44	42	38	
Food fats other than butter	65	62	54	52	50	
Food fats other than butter and lard:						
All edible fats and oils	77	74	70	69	69	
Soap fats	60	61	56	53	51	
Drying oils	68	64	61	60	61	
Other industrial	63	56	55	52	52	
All industrial	63	62	58	55	54	
Edible vegetable oils, grouped by degree of processing:						
Crude	62	57	59	57	56	
Refined	66	68	62	62	58	
End products	84	82	75	75	74	

All indexes except "Butter, seasonally adjusted" and "Other industrial" from Bureau of Labor Statistics.

Table 33.- Price received by farmers and prices at terminal markets for specified oil-bearing materials and oilmeals

Item	Unit	August		1959		
		1957	1958	June	July	August
		Dollars	Dollars	Dollars	Dollars	Dollars
Castor beans, Brazilian ports	Long ton	166.20	---	---	---	---
Copra, Philippines, c.i.f. Pacific Coast	Short ton	161.80	191.30	248.12	215.00	210.00
Cottonseed, United States average	Short ton	55.70	47.60	---	42.00	42.80
Flaxseed, No. 1, Minneapolis	Bushel	3.25	3.10	3.01	2.97	3.28
Flaxseed, United States average	Bushel	2.84	2.74	2.70	2.63	2.90
Peanuts, No. 1, shelled, Spanish, Southeastern shipping points 1/	100 lb.	17.50	18.38	15.25	14.88	14.88
Peanuts, United States average	100 lb.	10.70	10.90	11.70	---	9.54
Soybeans, No. 1, Yellow, Chicago	Bushel	2.45	2.27	2.28	2.23	2.15
Soybeans, No. 1, Yellow, Illinois country shipping points	Bushel	2.40	2.26	2.20	2.15	2.00
Soybeans, United States average	Bushel	2.27	2.11	2.09	2.05	1.98
		<u>Oilseed Meals</u>			(BULK)	
Copra meal, Los Angeles	Short ton	61.90	68.75	80.30	81.50	75.00
Cottonseed meal, 41 percent protein, Memphis	Short ton	54.90	61.00	59.30	64.15	51.25
Cottonseed meal, 41 percent protein, Chicago	Short ton	64.95	71.45	69.85	73.70	73.65
Linseed meal, 34 percent protein, Minneapolis	Short ton	47.15	51.25	62.00	62.00	63.15
Linseed meal, 34 percent protein, New York	Short ton	66.85	73.85	82.60	81.50	80.65
Peanut meal, 41 percent protein, f.o.b. Southeastern mills	Short ton	44.25	61.70	52.95	57.15	55.25
Soybean meal, 44 percent protein, Chicago	Short ton	59.90	67.10	58.20	62.25	58.00
Soybean meal, 44 percent protein, Decatur	Short ton	52.90	60.25	54.80	58.50	54.25

1/ This price applies to peanuts for edible uses.

Compiled from Oil, Paint, and Drug Reporter, Daily Market Record (Minneapolis), Wall Street Journal, Chicago edition, reports of the Agricultural Marketing Service.

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